BEAUTIMENT ... IELEME'I:

WASH\_FROM LOSA6 8 3-18 PM DIRECTOR

URGENT

BENJAMIN QUOTE BUGS UNQUOTE SIEGEL, MISC., INFO. CONCY NET BURTEL, AUGUST SIX, LAST, RE

REQUEST BUREAU REFER TO INFO

AND INTERVIEW WITH

INDICTED BY FEDERAL GRAND JURY, L.A., MARCH SIX, LAST, TOGETHER WITH THIRTY TWO MEN AND TWO WOMEN IN NATIONWIDE NARCO-TIC CONSPIRACY CASE

NARCOTIC BUREAU, L.A. REPORTS NO INFO DEVELOPED INDICATING SEIGH ME WITH ANY OF ABOVE INDIVIDUALS. NO INFO AVAILABLE IN L.A. COMPANIENT FILES CONCERNING SIEGEL'S CONNECE

TION WITH THESE INDIVIDUALS. ME

**PURSUANT** 

62-81518-52

PAGE TWO

TO BUREAU INSTRUCTIONS SAN DIEGO 18 SECURING PHOTOGRAPHS AND FINGERPRINTS

SIEGEL AND ASSOCI-ATES RECEIVED TELEGRAM FROM CPA, WASHINGTON, ORDERING FURTHER CONSTRUCTION OF FLAMINGO HOTEL, LAS VEGAS, STOPPED. INFORMANT FURTHER STATES THAT SIEGEL DID NOT PAY BRIBE TO SECURE CPA PERMIT FOR CONSTRUCTION ALTHOUGH HE ADMITS, IN APRIL, NINETEEN FORTYSIX, CPA IN RENO OR SAN FRANCISCO ORDER-ED CONSTRUCTION STOPPED, BUT SUBSEQUENTLY PERMITTED IT TO PROCEED. FOR CPA AT L.A.. CHECKED CONSTRUCTION OF FLAMINGO HOTEL IN APRIL , NINETEEN FORTYSIX BEFORE CPA PERMITTED CONSTRUCTION TO PROCEED. IS ORIGINAL SOURCE OF INFO CONCERNING IRREGULARITIES IN CPA IN CONNECTION WITH FLAMINGO HOTEL. NOT AVAILABLE FOR INTERVIEW TODAY. SIEGEL IN-TENDS TO HAVE WHO HAS THE CONTRACT FOR CONSTRUCTION OF THE FLAMINGO HOTE

D GET IN TOUCH WITH

CON-

CERNING THE TELEGRAM FROM CPA.

CORRECTION -- BOVE SHD BE SIGNED "OSTHOLTHOFF"

ACTIVATION CAPORE GARG: FOREIGN RISCELLANEOUS. REFERENCE YOUR CABLEGRAP DATED

RECEIVED

10:57 PH EST

MD

ò

12-81518-53

FILERAL BUREAU OF INVESTIGATION

1 SO DEFAITMENT OF JUST CE

CONMULTICATIONS SECTION

TELETYPE

FB1 ST LOUIS 8-7-46 4-50 PM MA PORTING Mr. Option To Mr. O

CAPGA. BROWNING ARMS COMPANY, ST LOUIS, MO. REPORTS TWELVE GAUGE BROWNING AUTOMATIC SHOTGUN PARENTHESIS FABRIQUE NATIONALE D ARMES DE GUERRE,
HERSTAL, BELGIQUE CLOSED PARENTHESIS, SERIAL NUMBER ONE TWO NINE TWO
TMREE. SOLD TO

CONCERN, PROBABLY IN NINETEEN TWENTY NINE. ULTIMATE CUSTOMER DID NOT RETURN QUOTE OWNERS IDENTIFICATION CERTIFICATE UNQUOTE WHICH WOULD

WAS NOT THEN LOCATED IN ST LOUIS, MO. BUT IN OGDEN, UTAH. ALL INVOICES
OF BROWNING AUTOMATIC COMPANY DESTROYED AFTER FIVE YEARS SO EXACT DATE OF
SHIPMENT NOT AVAILABLE. PHILADELPHIS MAKE IMMEDIATE EFFORT TO
TRACE IDENTITIES OF ANY PERSONS CONNECTED WITH GUN SINCE SUPPOSEDLY USED

IN ATTEMPT ON LIFE OF JAMES M. RAGEN JUNE TWENTY FOUR. STATES SUTEL RESULTS TO BUREAU AND CHICAGO.

NORRIS

EN D

ACK IN ORDER

WA 4-53 PM OK FBI WASH DC VI

PB OK FBI PH MJS

CG OK FBI CG SCT

DISC

16:



DIRECTOR ATTENTION: ASST. DIRECTOR ROSEN URGENT
BENJAMIN "BUGS" MEMORY SIEGEL, MISC., INFO CONCERNING, CRI!
SURVEY. CLARK COUNTY COMMISSIONERS, LAS VEGAS, NEV., YESTERL
DENIED APPLICATION OF SUBJ AND HIS ASSOCIATES FOR LIQUOR AND
GAMBLING LICENSE FOR FLAMINGO HOTEL. THIS HAS CAUSED CONSIDERABLE CONSTERNATION TO SIEGEL AND ASSOCIATES. SIEGEL PROCEEDING FROM LA TO LAS VEGAS TOMORROW TO PERSONALLY APPEAR
BEFORE COUNTY COMMISSIONERS. WILL BE ACCOMPANIE BY
ONE OF THE PRINCIPAL INVESTORS IN FLAMINGO HOTEL.

INFORMANTS BOTH HERE AND IN AMERICA LAS VEGAS INDICATE THAT
THIS IS ONLY A TEMPORARY DENIAL OF LICENSE AND THAT MANAGEMENT
LICENSE WILL BE GRANTED AT LATER DATE. SIEGEL CONTINUES TO
SPEND MOST OF HIS TIME HANDLING DETAILS CONCERNING CONSTRUCTION OF THE MANAGEMENT FLAMINGO HOTEL.

OSTHOLTHOFF HUE

PLS ACK

P 35 1

U. S. DEPARTMENT OF RESPON

AUG 6 1946

TELÉMET

CONE TWO STATIONS WASH- 1 ND CGOT FROM LOSA 6 11-31 AM DIRECTOR AND SAC CHCIAGO---ATTENTION ASST. DIRECTOR E.J. CONNELLEY URGENT

CAPGA.

NO OTHER INDICATIONS OF

PRESENCE IN LA TO DATE. CHICAGO OFFICE GIVE IDENTIFY-

ING BACKGROUND

SEND PHOTO AMSD. BUREAU AND

CHICAGO WILL BE KEPT ADVISED.

HQD

END PLS ACK

### MG. Los Angelos PRESCRAL MITERIES

July 24, 1946

67

Mreeter, FRI

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DID MINISTER SI- 2 marches

CO STREET

PROBLEM SHOW AT THE PROBLEM AND ADDRESS OF THE PERSON OF T

afternoon in made to your popert of July 13, 1946, in i matter and Bureau teletype of July 22.

sining further information from

It is also desired that you obtain detailed information from him referred to in your super! eneralize the operation

f July 13, 1946.

Ther attention is also called to the third last paragraph, page t referenced report, which discusses the emerskip of the Bal Har Base Tra The Bureau would appreciate your elarifying the facts of emership of this rese track. Four stiention is also called to Los Angeles letter to the Bureau of July 3, 1946, entitled, "Registering Activities, Ice Augeles Field Myteles as well as Benjamin "Burs" in which it is indicated that Siegel was removed to have furnished the mey for the purchase of the Del Mar Race Truck, it being noted that was not mentioned therein as a mreheser.

It is suggested that in the future when confidential informate are interviewed an ettempt to make such interviews more detailed be made in order that Assistant Director R. J. Connelley at Chicago and the Bureau will be in

a better position to evaluate the stories related. The Chicago Division is requested to furnish the Durous with any information it might have evallable relative to the so-called

ATR HATL SPECIAL DELIVERY

bloom (Attn. Appt. Mreeter E. J. .. Scaneller) PERSCHAL ATTRITUE

MOTTER 13714

AUG 18 1946

58 AUG 16 1946 /5

cc Mr. Tamm Mr. Rosen

July 24, 1946

Mr. This

A. BOSE

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

bx

MAPON : ROU MUIN "BUCS" STROET MISCRILLANGUS INFORMATION - CRIME SURVEY

Anneles, in an investigative report

this group is not otherwise meeribed, and the Los Angeles effice is being requested by the attached air mail special delivery letter to obtain further details in this remrd.

The information furnished appears to be of exectionable value in view of the fact that he further informed that it was his eminion that

A STATE OF MARKET AND AND ADDRESS OF THE PARTY OF THE PAR

The Los Angeles Office has also advised that

contidentially reports that the Delevar race brack is actually owned by Benjamin "Bugs" Siegel.

the Los Angeles Mivision has also advised that to have supplied money for the purchase of the track. The Los Angeles Office is likewise being requested to attempt to clarify the present ownership of the Del-Kar rese track.

With further record has informed that a man semed has mented space in the Ferguson Building, 3rd and mill Streets, los lageles, which will be the place from which the local representatives of the new wire service stemming from Chicago will discominate racing information in the Los Angeles are

RECOMMENDATION

That the attached letter to Los Angeles be dispatched.

RECORDED

MUG 12 . 1946

57 AUG 1 5 1946

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Chive Bir. (



### FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

	Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.
×	Deleted under exemption(s) bic bid with no segregable material available for release to you.
	Information pertained only to a third party with no reference to you or the subject of your request.
	Information pertained only to a third party. Your name is listed in the title only.
	Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.
	Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).
<del>,</del>	Page(s) withheld for the following reason(s):
	For your information:
Ø	The following number is to be used for reference regarding these pages:

XXXXXX XXXXXX XXXXXX

THE RULE STORY AND ASSESSMENT

MI WEST RESERVED OF

ADVISED SIEGEI ERDAY THAT HEARING CONCERNING CONSTRUCT MINGO HOTEL TO BE HELD TEN FIFTEEN BEFORE CPA COMMISSIONER WILL NOT STOP CONSTRUCTION, WE WILL GO TO JAIL PLAN ADVISED SIEGEL CPA CLATES THAT FLAMINGO HOTEL PROJECT ONE BUILDING BUT SEVERAL AND THAT PREVIOUS AUTHORITY TO BUILD TENDED TO ONLY ONE BUILDING. THEREAFTER SIEGEL CONTACTED APPARENTLY HAS CONTACTS TO GET TO T SAN FRANCISCO. SIEGEL ASKED WILL BE IN SAN FRANCISCO TURSDAY FOR CPA HEARING. WILL BE ATTEMPTING TO SECURE RESERVATIONS FOR PARTY AT PALMER ION CO., AND CPA HEARING RESULTS IN CONFIRMING PRESENT STOP ORDER WILL ASK COURT, PRESUMABLY IN NEVADA, FOR A RESTRAINING ORDER AGAINST CPA. SIEGEL HAS EXPRESSED FEAR THAT HE AND ASSOCIATES TILL GO BROKE IF CPA ORDER UPHELD AND IS MOST ANXIOUS TO DETERMINE WHO INSTIGATED PRESENT ACTION. IN THIS CONNECTION SIEGEL AND OFFERED HIS ASSISTANCE IN DETERMINING THIS. CISCO HAS BEEN REQUESTED TO COVER SIEGELS ACTIVITIES THERE BY TECH-NICAL AND MICROPHONE SURVEILLANCE IF POSSIBLE. S.F. FURNISH TO SUR-EAU AND L.A. AVAILABLE BACKGROUND INFO ON OSTHOLHOFF OTHERNISE

# FILE DESCRIPTION BUREAU FILE

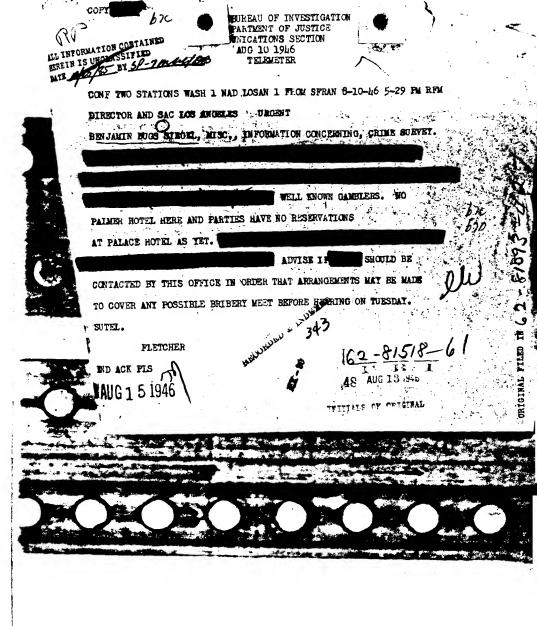
# SUBJECT BUGSY SIEGEL

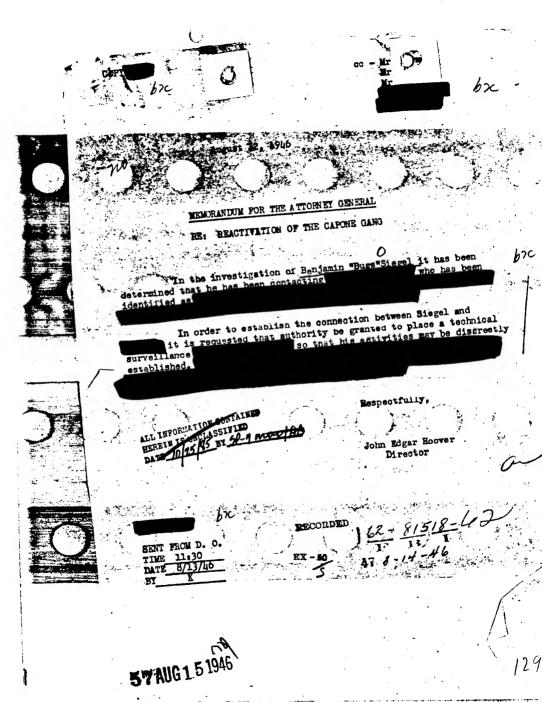
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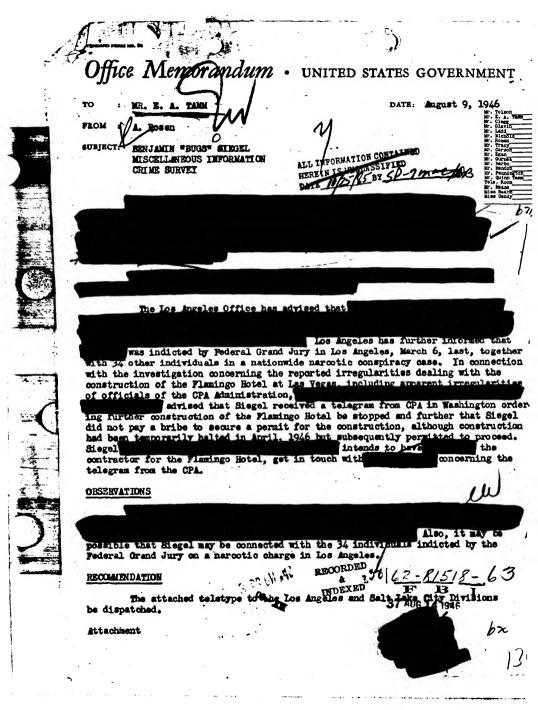
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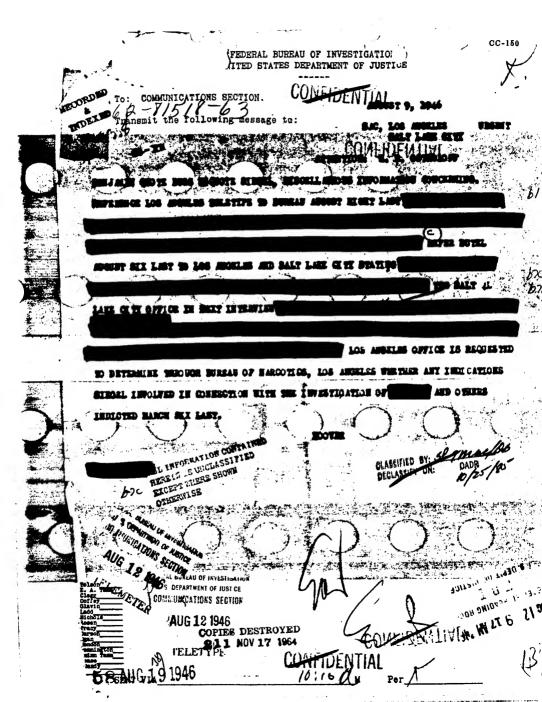
SERIALS\_\_\_\_

61









COPY

OFFICE MEMORATIDUM - UNITED STATES GOV ANMENT

Director, FBI TO

DATE: 8/8/46

FROM SAC. San Diego

SUBJECT: CAPGA

(Bu. File #62-81093)

BENJAMIN STECEL, Was:

MISCELLANEOUS INFORMATION

CRIME SURVEY

ALL INFORMATION CONTAINED

On August 5, 1946, I received a telephone call from Assistant SAC A. K. OSTHOLTHOFF, who is presently on special assignment at the Los Angeles Field Division, in commection with the above-entitled matters. Mr. OSTHOLTHOFF advised me that me that Los Angeles, who is alleged to be BENJAMIN SIEGEL's associate, would be at the Del Mar Hotel, Del Mar,-Califomis, during the current racing mmet at the Del Mar Turf Club, Del Mar, California. Mr. OSTHOLTHOFF also advised me that the has been under technical surveil-lance at Los Angeles and he was anxious that a survey be made looking toward the possibility of establishing like coverage while he is at the Dal Mar Ho-

Reference should be made to the report of Special Agent dated July 13, 1946, at Los Angeles, California, in the CAPGA matter.

registration at the Del Mar Hotel has been verified a very discreet investigation was commenced which revealed that assigned a room on the third floor of the hotel on the opening day or the meet, August 6, 1946.

joys a wide acquaintance among all or those connected with the track and the hotel: and is known to be highly reliable. His identity, as a source of information, of course should not be revealed in this case inasmuch as he enjoys the confidence of a large number of bookies, hoodlums, and track hangers-on who frequent Del Mar. who is well acquainted with Through it was learned that did not like the room assigned to him and demanded to be moved to one of the nice octtages at the rear of the hotel grounds. A loose surveillance has been maintained his arrival at Del Mar. The surveillance has been facilitated of because of the growded condition of the hotel and track and surrounding area. It is well known to the great majority of the guesta and to these decupying boxes at the cluments at the track. Preliminary information indicated that a large number of hoodlams and ranketeers from Los angeles and Chicago would be if attendance at the rade meet and would stay at the Del Mar Hotel, which admittion is discussed by Indly below. Minimum

IIG 1 5 1946

8/8/46

Letter to Director

it has not been possible to definitely identify these individuals at the hotel, it is known that a number of the Los Angeles camblers and racketeers are in attendance and is intimate with them.

is known that there is a campler in Los Angeles named who is mentioned in the report of dated August 9, 1944, at Los Angeles, California, captioned, "RACKETERING ACTIVITIES IN LOS ANGELES FIELD DIVISION, INFORMATION CONCERNING". however this individual has not been definitely identified.

Through the cooperation of the agents were able to follow some of the conversation taking place in this room of Cottage E-51.

There was no discussion as to real purpose in attending this meet. In this connection information was received from several sources at the track that BENJAMIN SIEGEL may have been abla to get should have the exclusive bookmaking righte with the proposition that at the track and to eliminate all local and independent books, by force if neceson each day of the meet so far has sary. A rather close obsrevation of not revealed this type of activity. The reliability of the track sources in this spends considerable time reviewing his form sheets matter is mestioned. and in conversation with those in attendance at the track and during the races remeins in his box betting on every race. It is known that he has won a considerable amount of money, coming in with at least two good long shots. Therefore, the coveras of this date only indicates that he is here as a betting gambler and is not operating a book. It is also known that two or three Sam Diego bookmakers are operating in a limited capacity at the track without hindrance.

bК

is well acquainted with both of these individuals. A large number of the Hollyrood eptics like coling with sout of them, prover, there is no indication that
is well acquainted with sout of them, prover, there is no indication that
is operating that he is presented. It is believed that it is operating
if really big book hi is boing acquail inder provide the most itself and it has
been approved in that connection that he would like off all big bets.

is the opportunity presents itself a very discreet coverage will be maintained on this room to ascertain activities and the identity of any of his visitors

670

one asked if GEORGE RAFT was going to return to the track, the reply being that h probably would if remained at the hotel. RAFT had previously engage a muite of three rooms on the second floor of the Del Mar Hotel occupied by himself and one , and two other individuals, Jews, whose identities have not been established. RAFT was at companied at the Del Mar by his known body guard, Los Angels Office reports indicate that RAFT has been every conspicuous due to his friendship with SIECEL and

Reference should be had here to my personal and confidential letter to the Director dated August 1, 1946, entitled, "DEL MAR TURF CLUB - CRIME SURVEY, STEED DIVISION", with copies to Chicago and Los Angeles. I outlined in detail the highly confidential information furnished me

connection I note that it is stated in the report of

dated

Letter to Director

July 13, 1946, at Los Angeles, entitled, "CAPGA", that a confidential informant nad advised the Los Angeles Office that the Del Mar Turf Club is actually owned by BENJAMIN SIEGEL. After many conversations I am inclined to doubt very seriously that the information is correct. Upon the spreading of unverified rumors that members of some Eastern and Los Angeles mobs were moving into the Del Mar meet "to make a killing" it was speculated that this would be a crooked meet in that there would be a number of fixed races. Of course this is a matter very difficult to determine.

very good sources among the jockeys, owners and trainers at Del Mar and trait he does not believe that there will be any unusual number of fixed races. Specified, however, that even with all of the new mechanical and other safeguards to insure honest races it actually is easy to fix a race and that the same may occur. He confidentially advised that he possesses the identities of at least three jockeys and one or two owners or trainers who are very likely to attempt to fix some races as the meet progresses. Furnished this information to Special Agent of this office with the derinite reservation that the same not be repeated to anyone under any circumstances. It is impossible to know at this time whether any of the outside racketeers can get to these particular individuals. In this connection you will recall that I have stated in this letter that SIEGEL, RAFT and their associates enjoyed considerable betting success during the first two days of the meet, however, no allegations were made that any of those races were fixed.

whether a technical surveillance would be feasible at the Del Mar Hotel, I advised Mr. OSTHOLTHOFF at the time of his call that

It is also noted that, as I mentioned in my memorandum of August 1, 1946, captioned, "DEL WAR TURF CLUB - CRIME SURVEY, SAN DIEGO FIELD DIVISION" as also the purchaser of the "Al Rancho Veges at Las Vegas, Nevada, a gambling house in which BENJAMIN SIEGEL may have an interesting.

In confirmation of my belief that a technical surveillance at the Del Mar Hotel would not be practical, I contacted

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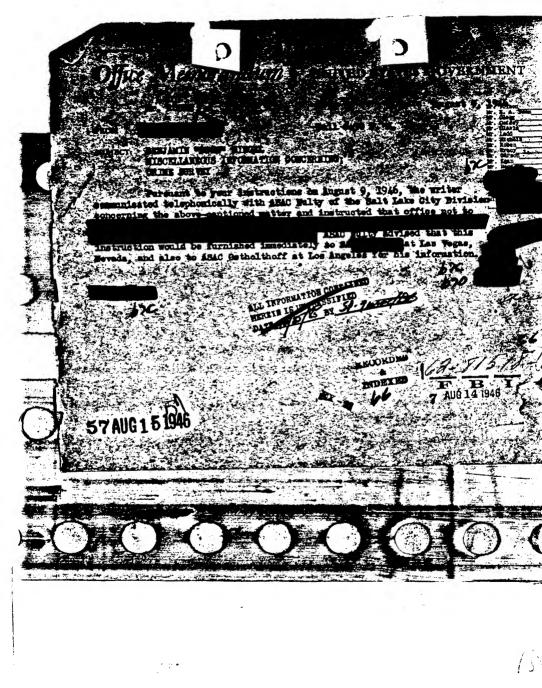
In view of the above situation I do not consider it feasible to attempt a technical surveillance at this point. ASAC OSTHOLTHOFF is being kept advised as to the progress of this investigation and will further be advised of any change in the situation which might later make such surveillance possible.

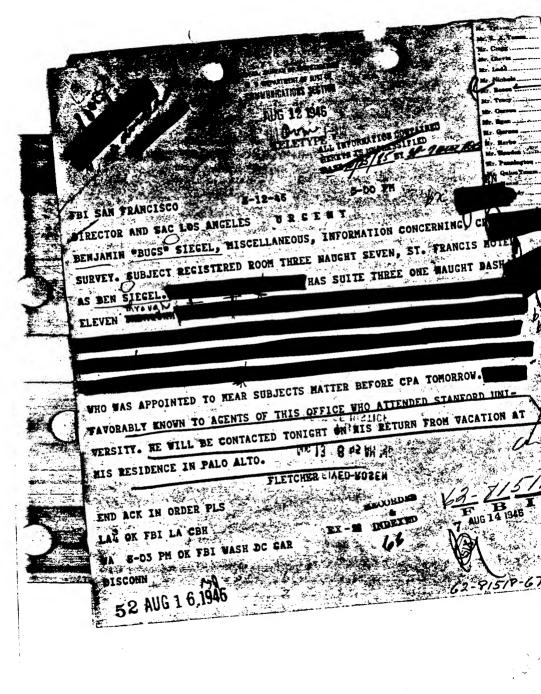
<del>62-477 (сс-</del>94-43) (сс-94-27)

cc (2) - Los Angeles cc (2) - Chicago

ANCO

August 9, 1946 DIRECTOR, PRI ASSISTANT DIRECTOR E. J. COMMELLEY, Chicago Hald Office to Chicago, from Washington, B. f. ! ON UNIGINAL







SENJANIN QUOTE BUGS UNQUOTE SIEGAL. CERNING. TERIME BURYEY. BY SIGHT SIEGAL DATE PARTIES HAVE NOT WADE RESERVATIONS OR APPEARED AT HOTEL

ADVISED AS OF TWO PM THIS

40

DISCREET INQUIRY BEING POSSIBLE TIE-UP WITH MADE OF ANY INFORMATION THERE SUBJECT. INCULRY ALSO BEING MADE HERE BRUKE AUER REGENSTED TO AUTHORITY TO INSTALL TECHNICAL SURVEILLANCE

## Office Memorandum • UNITED STATES GOVERNMENT

DATE: August 12, 1946

FROM :

CRIME SURVEY

Call: 12:05 p.m.

SUBJECT:

BENJAMIN "BUGS" STEGEL MISCELLANEOUS INFORMATION CONCERNING

ASAC Ostholthoff, on special assignment in Los Angeles, telephonically contacted the Bureau with reference to information furnished by the San Francisco Division indicating that Benjamin "Bugs" Siegel has been in communication with CPA stop order issued regarding the Flamingo Hotel at Las Vegas. Siegel It appears that reference is made to o get to before whom a hearing is to be held regarding the Flamingo Hotel Tuesday, August 13, at San Francisco. San Francisco has indicated the possibilities of developing a bribery violation in this case and Ostholthoff inquired whether the D bureau had any information on the He was advised that the Bureau had not even been informed of the first name to date. Ostholthoff then suggested that the most desirable procedure was to instruct San Francisco to ascertain in a highly discreet manner background information on the reputation, character, etc. of If San Francisco checked this matter out and found him to be a high class, reliable individual then consideration should be given by San Francisco to approaching him in order that sufficient information might be furnished in order to develop a bribery case in this connection.

Ostholthoff was advised that the Bureau had no objection to checking the background and he indicated that he would immediately communicate with San Francisco relative to this matter. It was also mentioned to Ostholthoff in connection with Siegel's contemplated trip to San Francisco that appropriate arrangements should be made to thoroughly cover Siegel's activities while in San Francisco, it being noted that blanket coverage had previously been authorized regarding Siegel's activities.

### RECOMMENDATION

None. San Francisco and Los Angeles have been instructed to keep the Bureau advised of every development in this matter.

ALL INFORMATION CONTAINS

Pac by 18 2 36 Port

2-815-18-6 7 AUG 14 1946

52 AUG 1 6 19

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AUGUST 2, 1946

TO: COMMUNICATIONS SECTION.

URGENT

Transmit the following message ATTENTION: A. E. OSTROLINOTE

SERVANDE SERVEY, INFORMATION CONCERNING CRIME SORVEY.

RECEIPT OF A LETTER FROM

LOS ANGELES, STATING AS FOLLOWS QUOTE THERE IS A MATTER WHICH
I MELLEVE MEEDS ATTENTION. THERE ARE A LOT OF ONE SHOUSAND DOLLAR MILLS
OFFERING HERE AT SEVEN MEMBERD FIFTY DOLLARS, THEY CAN HE SOLD FOR
MICHT MUNICED FIFTY DOLLARS IN RENO, I AN TOLD UNQUOTE. SECRET SERVICE
HAS BEEN ADVISED MEMBERSHAMEN CONCERNING THIS INFORMATION. IT IS
SUCCESSED THAT HE WAS ANY CASE.

62-61518

ALL INFORMATION COLUMN THE MERE IN IS A SECOND OF THE PARTY OF THE PAR

67C

3 (D) 2 2 Aug 1 4194

COMMUNICATIONS SECTION

11 AUG 2-1946

TELEMETER

9-40 R Per De

8 AUG 191946

Tam - Rosen August 13, 1946

Mr. Tam

A. Rosen

BAL SURVEY

EAPCA. Bulled "Boos" Birchi MISCRILAN HOUS INFORMATION CONCERN INC ALL IMPORMATION CONTAINED HEREIN IS IN SSIPIED

furnished information to that Siegel was under constant investigation and surveillances. As a result, a technical surveillance was placed on lugart 8, 1946.

The Washington Field Mylsion has advised that

The Washington Division reports that

is the individual with

The Malhan Cor Division has further pointed out that it is possible may have knowledge of the installation of the technical and that he is certainly in a position to learn of its existence.

This situation was called to the attention of the Bureau by the Washington Division in view of the possibilities of this technical being ansovered and.

### **CRSERVATION**

who

s unaware of the technical surveillance It appears at this time inasmuch as if he knew of the existence of this installation, At hardly seems possible that he would talk over the telephone

EX - 50

### ACTION TAKEN

The Mashington Division has been telephonically advised to keep in elege of the surveillance. They have been further instructed to check the security of the installation and to be on the alert for any developments which would indicate that the surveillance has been uncovered.



wine someru of intertanto U & DEPARTMENT OF JUSTIGE BOWWALIDS IN SECTION

TELEMETER

11-02 AM

30 Aug 151 10

WASHINGTON FROM SAN FRANCISCO 83 8-13-46

URGENT DIRECTOR AND SACLOS ANGELES

BENJAMIN "BUGS" SIEGEL. MISCELLANEOUS INFORMATION CONC

CRIME SURVEY

INTERVIEWED AT HIS HOME LAST NIGHT. HE ADVISED HE WAS NOT

AN EMPLOYEE OF CPA BUT MERELY A SPECIAL COMMISSIONER DIRECTLY APPOINTED BY DONALD NELSON THEN HEAD OF WPB. HE STATED THAT HE HAD BEEN REQUESTED TO HOLD A HEARING AT SAN FRANCISCO TODAY BUT THAT HE HAD NOT BEEN INFORMED AS TO THE NAMES OF THE PARTIES NOR THE SUBJECT MATTER INVOLVED. HE ALSO STATED THAT THIS WAS THE FIRST HEARING HE HE HAD HELD FOR ONE YEAR. HE ADVISED THAT HE HAD NOT BEEN APPROACHED BY. ANYONE IN CONNECTION WITH THE CASE BUT WOULD IMMEDIATELY NOTIFY THIS OFFICE IN THE EVENT HE WERE APPROACHED. HE WILL KEEP MATTER STRICTLY CONFIDENTIAL. UNLESS ADVISED TO THE CONTRARY HE WILL BE REINTERVIEWED K AFTER DECISION RENDERED FOR FULL PARTICULARS RE HEARING.

FLETCHER NDRXED

LES ADVISED 58 AUG 191946

14%

rikke herr

FLUCIAL BUTEAU OF INVESTIGATION U & DEPARTMENT OF JUSTICE BOMMUNICATIONS SESSION

TELEMETER

ALL INFORMATION CONTAINED

3-27 PM

WASHINGTON FROM SAN FRANCISCO SB DIRECTOR AND SAC-LOS ANGELES URGENT

BENJAMIN "BUGS" SIEGEL, MISC., INFORMATION CONCERNING, CRIM SURVEY. SUBJECT REMAINED IN HIS ROOM LAST EVENING AND NIGHT

AND HAD NO CALLERS NOR VISITORS. AT APPROXIMATELY TEN PM, TRIED BUT UNABLE TO REACH.

TO PLACE CALL ARRIVED AT HOTEL ST FRANCIS FOUR AM TODAY AND

AROSE ABOUT TEN THIRTY AM. AFTER WHICH

HAS NOT YET MET HIS SUITE WHILE BREAKFASTED OR COMMUNICATED WITH SUBJECT WHO HAS BEEN IN HOTEL LOBBY THIS

AM TRYING TO SECURE ANOTHER ROOM WITH TWO BEDS TO ACCOMMODATE A FRIEND, NAME SAKNOWN. NO OTHER ROOMS AVAILABLE AT HOTEL AND

DEL DASH WHITE CONSTRUCTION COMPANY, FOUR MAUGHT EIGHT SOUTH SPRING, LOS ANGELES, REGISTERED AT PALACE HOTEL AT TEN PM LAST NIGHT AND HAVE ROOMS THREE NAUGHT

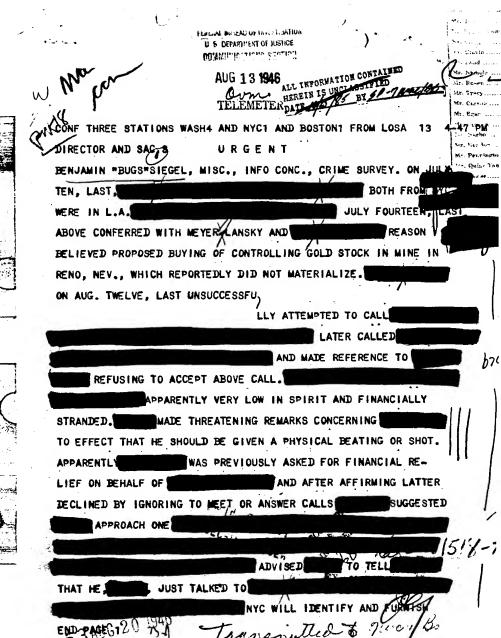
TWO FOUR AND THREE NAUGHT TWO SIX.

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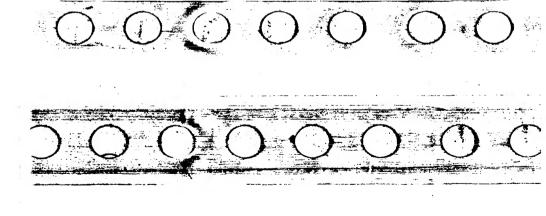
Mr. Quinn Tens

LOS ANGELES ADVISED



BACKGROUND INFO CONCERNING BOSTON WILL LIKEWISE FURNISH L.A. WITH ACTIVITIES OF IN
BOSTON AND DETERMINE IDENTITY OF HOOD

ALL PLS ACK



Bederal Bureau of Investigation

United States Department of Justice

Salt Lake City, Utah

August 12, 1946

Director, FBI

IDENTIAL Re: BENJAMIN "BUGS" SIEGEL

MISCELLANEOUS - INFORMATION CONCE

(

Dear Sir:

Reference is made to the Bureau's teletype of August 12, 1946, to Mr. A. E. OSTHOLTHOFF at the Los Angeles Office and to the Salt Lake City Office, relative to the de-

Special Agent ing with Mr. OSTHOLTHOFF on special assignment, it is being taken for granted that the requested interview with this

informant will be handled and reported through Mr. OSTHOLTHOFF. Very truly yours,

62-1130

SAC

3% 1

AMSD

co - Mr. A.E.Ostholthoff, Los Angeles

AMSD

the 14 11 ST VH ...

SECENTU BOSEN

55 AUG 19 1946

Mr. E. A. Tamas Mr. Cleag .....

Mr. Gharin .....

Mr. Pennington

Mr. Quine Tame

who is worked the see /

ELECORDED | 62 91517-75

INDEXED 22 306 151 34

FEDERAL BUREAU OF INVESTIGATION U S DEPARTMENT OF JUST CE COMPRESIONATIONS SECTION

TELETYPE

FBI SALT LAKE CITY

8-13-46

DIRECTOR

ROUTINE

ON SPECIAL IN CONNECTION WITH CASE BOC

ENTITLED BENJAMIN "BUGS" SIEGEL, MISCELLANEOUS INFORMATION, CRIME SURVEY, LEAVING LAS VEGAS, NEVADA ELEVEN FORTYFIVE AM FOURTEENTH INSTANT FOR LOS ANGELES, CALIFORNIA. HE INTENDS RETURNINGLAS VEGAS EVENING OF SIXTEENTH INSTANT OR MORNING OF

SEVENTEENTH INSTANT. NEWMAN

END

4-29 PM OK FBI WASH DC WJR

58 AUG 19

FEDERA. BUREAU OF INVESTIGATION U S DEPARTMENT OF JUST CE SOMMUNICATIONS SECTION AUG 14 1946 ALL INFORMATION CONTAINE FBI SALT LAKE CITY 8-14-46 10-05 AM DIRECTOR URGENT BENJAMIN \*BUGS SIEGEL, MISC. INFORMATION CONCERNING, CRIME SURVEY. REFER SAN FRANCISCO TELETYPE TO BUREAU, LOS ANGELES AND SALT LAKE CITY THIRTEENTH INSTANT. NEWMAN END "ECOR**DED** 1206 A PM OK FBI WASH DC 32 151 13

OFFICE MEMORANDUM

STATES GOVERNMENT

: THE DIRECTOR

DaTe: August 12, 1946

A. ROSEN

SUBJECT: CAPGA

BENJAMIN "BUGS" SIEGEL

ALL INFORMATION CONTAINED

The Los Angeles Division has advised that Benjamin "Burs" Siegel has been in telephonic contact with a party known as in San Francisco. The San Francisco Office has identified

Siegel is reported to have requested to use his influence with the Civilian Production Administration in San Francisco in order to continue on with the building of the Flamingo Hotel in Las Vegas, Nevada.

As a result of Siegel's contact the San Francisco Office has requested that a technical surveillance be placed on the residence

#### FIGOICAL ON

That the attached memorandom to the Attorney General requesting authority for this technical be dispatched.

Attachment

AUG 15 1946

PEDERA. BUREAU OF INVESTIGATION U.S. DEPARTMENT OF JUST CE COMPORTENTIONS SECTION

J.UG 13 1946

ALL INFORMATION CO

FBI SAN FRANCISCO

60-02 PM 8-13-46

DIRECTOR, SACS LOS ANGELES AND SALT LAKE CITY

BENJAMIN "BUGS" SIEGEL, MISC., INFO CONCERNING, CRIME SURVEY.

MORNING THE FOLLOWING TRANSPIRED IN SUITE THREE TEN

AT THE ST. FRANCIS HOTEL, DURING WHICH TIME AT LEAST THE FOLLOWING

INDIVIDUALS WERE PRESENT

AT THIS TIME SUBJECT COMPLAINED THAT SIXTEEN &

SUBJECT

WEEKS WORK AND TWO MILLION DOLLARS HAD BEEN PUT INTO THE HOTEL AT

LAS VEGAS WHICH WAS SEVENTY FIVE PERCENT COMPLETED, AND NOW A STOP

ORDER HAD BEEN ISSUED. HE FURTHER COMPLAINED THAT

ON A ONE MILLION FIVE HUNDRED THOUSAND DOLLAR BUILDING IN THE SOUTH. THERE WAS DISCUSSION AS TO WHETHER THE CPA HAD JURISDICTION, AND

MENTION WAS MADE THAT

WERE ON THE CPA COMMISSION.

AND SIEGEL

DISCUSSED OPENING A GAMBLING CLUB IN S

TWO OTHER SENATORS WERE KNOWN TO HIL OF THE CPA HERE, HAD GIVEN AN OK FOR THE HOTEL BUILDING AT LAS VEGAS

THEN HAD ISSUED A STOP ORDER. HE COMPLAINED ABOUT PRESSURE BEING

ND HIS ASSOCIATES AND APPARENTLY ATTRIBUTED IT TO THE FA

APPARENTLY OF NEVADA, WAS BACKING ONE

PAGE TWO

THAT HE THOUGHT HE SHOULD KNOW THE CPA GUYS. HE TOLD THAT THEY HAD UNTIL TOMORROW AND THAT THEY MIGHT BE ABLE TO GET A RESTRAINING ORDER,

APPARENTLY AGAINST THE CPA STOP ORDER. THEY CALLED

AND ASKED HIM TO COME TO THE HOTEL ROOM. SHORTLY THEREAFTER

APPEARED, AT WHICH TIME HE WAS TOLD ABOUT THE BUILDING AT LAS BUILDING AT LAS BUILDING AT LAS BUILDING AT LAS BUILDING THE STOP ORDER AND WAS ASKED IF HE COULD HELP THEM,

MENTIONING THAT THEY WOULD MAKE IT WELL WORTH HIS WHILE. AGREED

TO ASSIST THEM BUT STATED THAT HE WOULDN'T GO TO THE HEARING TODAY INFORMUCH AS HE HAD ANOTHER MEETING. AT THIS POINT THE INDIVIDUALS LEFT,

APPARENTLY TO ATTEND THE HEARING BEFORE THE CPA AT ONE THREE FIVE FIVE

MARKET STREET. DURING THE CONVERSATION, TRIED UNSUCCESSFIT

TO REACH

DID NOT INDICATE WHAT STEPS HE INTENDED TO TAKE TO ASSIST THEM FOR THE INFORMATION OF SALT LAKE CITY, THIS CASE IS BEING HANDLED AS SPECIAL WITH LOS ANGELES AS ORIGIN. SUBJECT AND HIS ASSOCIATES ARE BUILDING THE FLAMINGO HOTEL IN LAS VEGAS, NEV., AND RECENTLY A STOP ORDER HAS BEEN ISSUED BY THE CPA. A HEARING IS BEING HELD IN SAN FRANCISCO TODAY CONCERNING THIS STOP ORDER. ON SATURDAY LAST SUBJECT

PAGE THREE CALLED WELL KNOWN LOCAL GAMBLING BOSS, AND ASKE HIM "TO GET TO WHO HAS AGREED TO COOPERATE WITH THIS OFFIC

> PHONETIC. FLETCHER

SALT LAKE CITY IS REQUESTED TO ATTEMPT TO IDENTIFY

END

ACK PLS

9-11 PM OK FBI WASH DC WJR

OKFBI SU RWC OK FBI LA DRB LA

boc

Federal Birean of Investigation

Anited States Department of Sustice 726 San Diogo Treet and Serings Bank San Diogo 1, California August 12, 1946

PROPERTY OF THE PROPERTY OF TH

MINECTOR, FAI

E: CAPCA Durent File No. 62-81093

RE: REMIAMIN STROKE, with aliance Miscallangues information GRIMS STRYKY

Door Art

Reference is made to my communication to the Director dated August 8, 1946, entitled as above, in which I set out the general results of the importing time being conducted at the Del Mar Twrf Club Track and the Del Mar Botel at Del Mar, California, as of that date.

continues under his usual modus operand; i.e., he now has a new room in a cottage, No. 256, at the Del Nar Hotel, in a rather secluded motion of the grounds. This room is on the second floor of the cottage, which location renders a close-up coverage of the room and any occupants rather difficult.

Southmest o visit the Club House and Jeckey (lub for all races and plays the \$50 window exclusively.

STATE OF THE PROPERTY

that he produce his credentials. It is reported that he was illerally



Wy low y

carrying a Jockev Club Admittance Book in the name of the managing agent of the film star He was asked to leave the Club House at that time, which he cheerfully did. He immediately returned to the Del Mar Hotel and was inactive the balance of that day.

On the following day. August, 8, 1946 occupying the box of

was back in the Jockey Club

On August 9, 1946, did not appear at the Track and at the Hotel it was ascertained through mentioned in my previous letter, that back on August 10, 1940. had gone to Los Angeles, but was expected

He was found to be occurring oox again on August 10, 1946, and was approached by at which time he was able to prove that he was a registered guest However, it was noted that left the Track and returned to the Rotel shortly before the last race.

In this commection you will recall that I mentioned in letter of reference that had stated confidentially that he suspected two or three jocksys would be very likely to attempt to fix some races as the Meet progresses.

agents later advised of the presence at the Track of well known as an ex-convict,

He was seen to openly contact

untering the paddock and afterwards on the way to the track. It is
stated that a signal, undescribed, was noted to pass between
and

agents immediately notified the Track Stewards
of this situation and a special watch was set on

race.

Later information indicated that was detected in pulling up his horse. At request, however, the Stewards refrained from calling in for a nearing inacounch as sants to match him for another week.

The principal noint of interest to us in this occurrence is that Special Agent noted in a brief conversation after the above described race occurred. It is not known how placed his money on that particular race.

It was also learned that agents are very interested in the famous jooksy who is a known tout and was recently seen drunk at Del Mar, California.

Relative to the above mention of trip to Los Angeles on Friday night, Angust 9, 1946, Assistant Special Agent in Charge A. E. OSTHOLTHOFF at Los Angeles, advised me that a fechnical source revealed that had been in conversation with

to bring down his "first blass crap/snooter" to the Uel Mar Hotel. The identity of this individual is not known to us, but we will be alert at the Track and Hotel to identify him should he appear there in connection with

On August 10, 1946, the Detroit or nos was requested by teletype to furnish any pertinent information concerning these two individuals and to determine, if possible, whether they had left the State of Michigan. They were not identified at the Del Mar Hotel or Race Track.

With further reference to there is some indication that if he normalists in coming to the Jockey Club portion of the Track, will probably see to it that he is ejected from the Track altogether, as they suspect that he is engaged in some bookmaking activities.

You will recall that I mentioned in letter of reference that

RE: CAPGA

DIRECTOR FBI

August 12, 1946

It is suggested that a check of the and augustic records be made in an attempt to identify this individual. It should be noted, however, that the original information to the effect that came from a source whose reliability

has not been fully established.

It is known that GEORGE RAFT, whose activities were described in my previous letter, has not returned to the Track.

Very truly yours,

W. A. MURPHY

102

SAC

62-177

cc's: 1-Sun Diego File 94-43
1-Sun Diego File 94-27
1-Los Angeles File 62-282
2-Chicago File 62-3679 - Attention: Assistant Director E. J. COMMELLEY

Office Memorandum . UNITED STATES GOVERNMENT DATE: August 13, 1946 SUBJECT: BENJAMIN "BUCS" SIEGEL MISCELLANEOUS INFORMATION CONCERNING 125 KS BY 51-20 CRIME SURVEY The technical surveillance on Benjamin that he was in conversation with advised Siegel that a hearing concerning the construction of the Clamingo Hotel would be held on Tuesday, August 13, at San Francisco Siegel told "We will "We will not stop construction. We will go to jail first." Thereafter, Siegel contacted a party by the name of who has been identified as a well-known gambling boss in the vicinity of San Francisco. Siegel requested to "get to before whom a hearing is to be held regardis apparently ing the Flamingo Hotel. On August 12, 1946, while talking with ASAC Ostholthoff, who is handling the special in los Angeles, he inquired if the Bureau had any objection to contacting and it was agreed that the San Francisco Office should make a discreet background investigation as to after which time consideration would be given to contacting and was appointed to hear the subject matter before the CPA at San Francisco. The San Francisco Office has advised that is favorably known to Agents of that office and that he would be contacted at his residence in Palo Alto. California. The technical surveillance on Siegel has further informed that one called and offered his assistance in determining the parties responsible for the action in amelding the construction of the Flamingo Hotel ACTION TAKEN The San Francisco and Los Angeles Offices have been instructed to

The San Francisco and Los Angeles Offices have been instructed to keep the Bureau fully informed regarding the Siegel matter, and you will be promptly informed of any new developments.

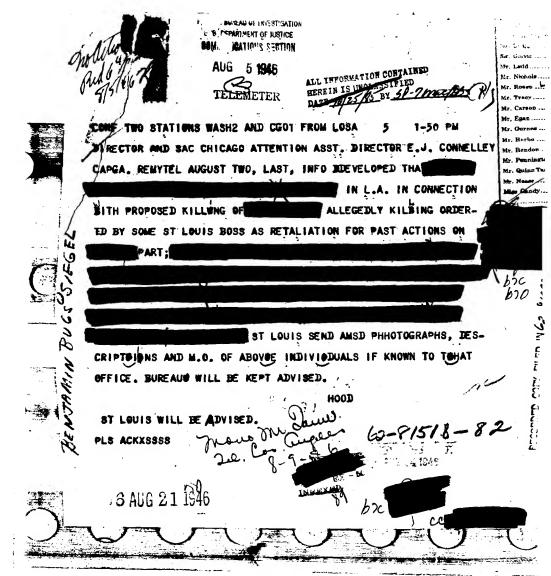
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INDEXED 82 AUG. 16194

53 AUG 20 1946

W. .......

16



Office Memorandum • UNITED STATES GOVERNMENT

DATE: August 9, 1946

SUBJECT:

is in Los Angeles

in conjunction with a proposed plan to kill

According to the informant is to be killed by order of an undescribed St. Louis racketeering boss in retaliation for past actions

It is further reported that

Los Angeles advised that they will keep the Bureau informed on all developments in this regard.

RECOMMENDATION

That the attached teletype be dispatched to Los Angeles Division requesting that appropriate local authorities be advised concerning the alleged planned killing

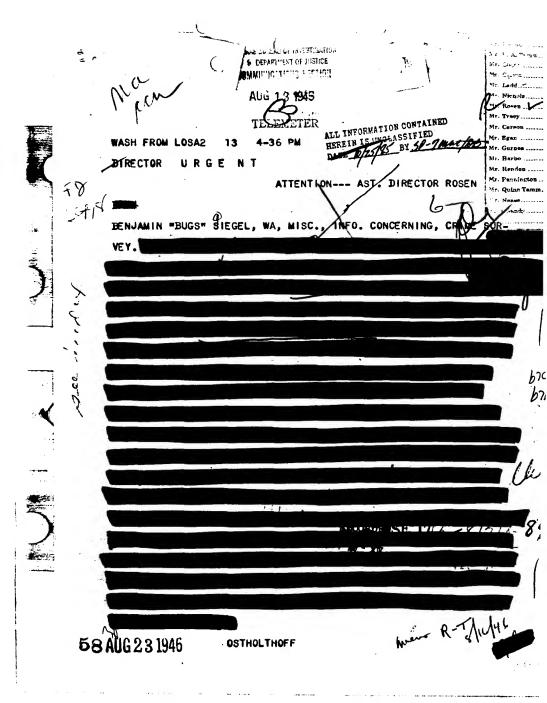
**Attachment** 

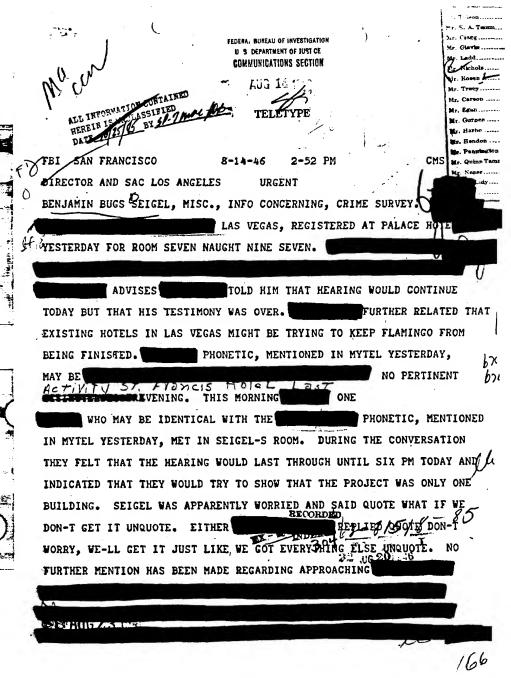
ALL INFORMATION CONTAINED

EX - 50 RECORDED

# \_)ERAL BURBAU OF INVESTIGATION

AUGUST 9, 1946 To: COMMUNICATIONS SECTION. MAC, LOS ANGELES Transmit the following message to: CAPCAL BESTANTE CHOSE SIGN TENTOTE STECKL, MINCHLIAMBOUS INFORNATION. TOU ARE REQUESTED TO ADVISE APPROPRIATE LOCAL AUTHORITIES IN THIS REGARD, SAFEGUARDING, OF COURSE, THE IDENTITY OF THIS INFORMANT. h70 COPIES DESTROYED R11 NOV 17 1964 ADMINISTRATIONS SECTION



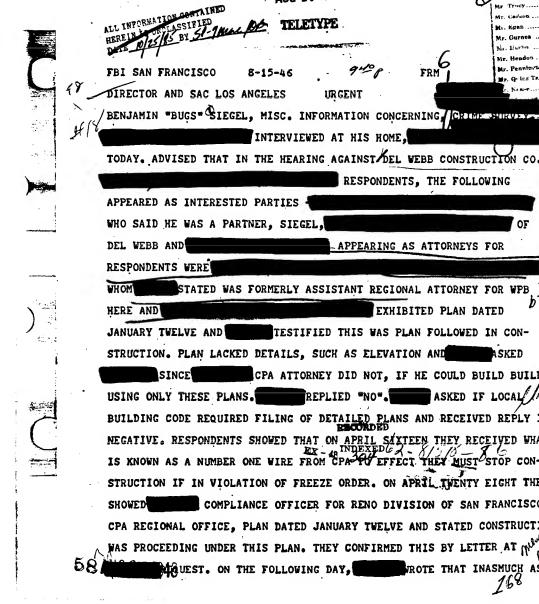




# FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

3	Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.
×	Deleted under exemption(s) 67c 670 with no segregable material available for release to you.
	Information pertained only to a third party with no reference to you or the subject of your request.
	Information pertained only to a third party. Your name is listed in the title only.
	Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.
	Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).
	Page(s) withheld for the following reason(s):
	For your information:
×	The following number is to be used for reference regarding these pages: 62-815/8-85 pg 2 to 4





JEDERA. BURGAU OF INVESTIGATION

U. 9. DEPARTMENT OF JUST CE

COMMUNICATIONS SECTION

AUG. 16. 1946

PAGE TWO

BUILDING WAS STARTED BEFORE MARCH TWENTY SIX FREEZE ORDER THEY WERE VIOLATING IT. RESPONDENTS THEN CONTINUED CONSTRUCTION AND DURING THE FOURTEEN WEEKS PREVIOUS TO LAST STOP ORDER SPENT OVER SEVEN HUNDRED THOUSAND DOLLARS AND COMMITTED THEMSELVES TO ABOUT FIVE HUNDRED THOUSAND DOLLARS MORE IN ADDITION TO ABOUT FOUR HUNDRED THOUSAND DOLLARS SPENT BEFORE RECEIVING FIRST STOP ORDER. ADVISED CPA PRESENTED ONLY TWO VERY SKETCHY PLOTS, NEITHER SHOWING ELEVATION AND APPARENTLY HAD MADE LITTLE INVESTIGATION SINCE THE TIME CONTINUED CONSTRUCTION. THE CPA REGULATION THAT THE BUILDING BE "THE SAME AS TO SIZE AND KIND" AS COMMENCED BEFORE MARCH TWENTY SIX AND THE CPA HAD NO PROOF THAT IT ! NOT. THOUGH THERE WAS NO PROOF. STATED HE PRIVATELY INFERRED A DOUBT AS TO WHETHER BLDG. WAS SAME SIZE FROM TESTIMONY THAT HE COULD NOT ACTUALLY PUT BUILDING UP FROM PLAN OF JANUARY TWELVE. THEREFORE DECIDED IN FAVOR OF RESPONDENTS ON FACTS BEFORE HIM BUT ALLOWED CPA UNTIL SEPTEMBER FIVE TO PRODUCE FURTHER EVIDENCE IF DESIRED. UNLESS CPA REQUESTS FURTHER HEARING, CASE WILL BE CLOSED T STATED NO ONE APPROACHED HIM ON MATTER. INTRODUCED SIEG TO HIM AT HEARING, BUT NEITHER FOLLOWED UP THE INTRODUCTION. CPA ATTORNEY. ASKED IF FBI AGENTS COULD SIT IN THE HEARING. HAVING BEEN ADVISED BY US TO KEEP OUT INTEREST MATTER CONFID

PAGE THREE

MERELY PASSED IT OFF BY REPLYING THAT THOUGH HEARINGS WERE USUALLY CLOSED HE SUPPOSED ANOTHER GOVERNMENT AGENCY MIGHT SIT IN. THIS OFFICE DID NOT CONTACT CPA HERE. REVIEW OF LOGS REFLECTS THAT AT ELEVEN THIRTY AM. AUGUST THIRTEEN LAST. ONE

DEL WEBB CO. - CAME INTO SIEGELS ROOM AND THE NAME WA
MENTIONED AND THEN BLUEPRINTS OF THE BUILDING WERE DISCUSSED. THE
MENTIONED BY SUBJECT AS BEING ABLE "TO STRAIGHTEN THE WHOLE
THING OUT" AS REFERRED TO IN MYTEL TODAY, MAY BE INVESTIGATO

FOR CPA. IT IS NOTED THAT PHONETIC - MENTIONED IN MYT OF AUGUST THIRTEEN LAST WAS ORIGINALLY CALLED AT ONE TEN ED

CLUB AND REQUESTED TO COME TO SUITE AT ST. FRANCIS HOTEL.

FLETCHER

60

END

12-49AM OK FBI WASH DC CCW

LA OK FBI LA DRB

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AUG TEL

ALL INFORMATION CONTAINED
HEREIN ISSUED BY STANKER

FBI SAN FRANCISCO

8-15-46

11-28 AM

MIRECTOR AND SAC LOS ANGELES URGENT

BENJAMIN "BUGGS" SIEGEL. MISCELLANEOUS INFORMATION CONCER "INEX

EURVEY. FOLLOWING TRANSPIRED YESTERDAY AT ST. FRANCIS HOTEL STEEL

TO MYTEL AUGUST FOURTEEN LAST - AT ELEVEN TEN AM SUBJECT CALLED LA

 $\hat{m{y}}$  vegas seven zero seven zero and two one eight three and talked to

▼BABY". HE MENTIONED THAT AN EXCOP WAS INVESTIGATING THE CASE FOR THE

CPA, THAT THEY WERE AT THE HEARING FIVE HOURS ON THE DAY PREVIOUS AND

HAD TO GO BACK AT ONE THIRTY PM AUGUST FOURTEENTH. HE ASKED "BABY"

TO SEE AN UNKNOWN INDIVIDUAL ABOUT GETTING LICENSE FOR FLAMINGO. IN

ASIDE TO PARENTHESIS APPARENTLY PARENTHESIS HE

COMPLAINED THEY CLAIMED THERE ARE TWO BUILDINGS INVOLVED AND ASKED HOW

THEY EXPECTED A HOTEL SIX MILES OUTSIDE OF TOWN TO OPERATE WITHOUT A RE-

TAURANT AND ADDED "SOMEBODY GOT THE SETUP. WHATS THE IDEA OF PICKING

on us if they didnt". Immediately, thereafter subject and

SUIT. MENTIONED RESHAU A TERIFFIC SPEECH TO

MAKE AT THE HEARING AND REFERRED TO A PARTITION TICKET WHILE THE JOB

PROGRESSING. SUBJECT MENTIONED HE COOLD SET UNIDENTIFIED- AND

STRAIGHTEN THE WHOLE THING OUT TANSEFAD, OF SPENDING, MONEY FOR LAWYERS.

STRAIGHTEN THE WHOLE THING OUT TASTE AD UTE STEEDINGS, MONEY FOR LAWTERS.

MENTION OF A PLAN OF MARCH TWENTY TWO AND ANOTHER PLAN OF JANUARY

TES AUG 23 1946 RRED TO A PLAN OF JANUARY TWELVE AS SIX A, AND ALSO

11

PAGE TWO -

MENTIONED A PLAN OF MARCH TWENTY TWO. THEY MENTIONED THE PLAN OF JAN-UARY TWELVE WOULD BE COMPATIBLE WITH THE LETTER UNDER WHICH THEY GOT AUTHORIZATION. THEY MENTIONED THE DEL WEBB COMPANY IS TO AVIHEY FOLLOWED PLAN SIX A. ALTHOUGH THEY PROCEEDED UNDER THE MARCH TWENTY TWO PLAN. IT WAS MENTIONED THAT THE WEBB COMPANY IS NOT TO KNOW ANYTHING ABOUT THE MARCH TWENTY TWO PLAN AND THE MOST IMPORTANT THING IS TO HAVE THE WEBB REPRESENTATIVE TESTIFY THAT HE FOLLOWED THE PLAN OF JANUARY TWELVE AND NO OTHER. THE TESTIMONY WAS TO BE THAT THE BUILDING IS TO BE A HORSESHOE OPEN ON ONE END WITH NO DETERMINATION MADE AT THE TIME AS TO WHICH END WOULD BE THE OPEN END AND THE TESTIMONY WAS FURTHER TO BE THAT THERE WAS NO DEVIATION FROM THE PLAN OF JANUARY WROTE TO THE DISTRICT TWELVE. THERE WAS MENTION THAT ONE MANAGER, WHO APPARENTLY WAS PRESENT -UNIDENTIFIED-, SAYING THAT HE HAD FIXED MATTERS WITH SENATOR ----- --- --- NAME NOT AUDIBLE-. THERE WAS SOME DISCUSSION REGARDING BUT NO MENTION MADE OF ANY APPROACH TO HIM. HE STATED THEY ONLY HAD TO PROVE THERE WAS ONE BUILDING WHICH WAS STARTED BEFORE THE REGULATION WENT IN, THAT THE CPA GAVE THEM A LETTER ON WHICH THEY RELIED AND IT WAS FURTHER MENTIONED THAT THE ONLY THING THEY DIDNT COMPLY WITH WAS THE FILING OF A PLOT PLAN FOR MARCH TWENTY SEVEN. AT ONE TEN PM THE PARTIES LEFT FOR THE HEARING. AT FOUR TWENTY PM THE PARTIES REENTERED SUITE AT WHICH TIME AN INDIVIDUAL LATER IDENTIFIED AS CALLED

AND TOLD HIM THEY HAD A DECISION IN THEIR

177

PAGE THREE -

FAVOR. SUBJECT MENTIONED THEY WERE LEAVING AT SIX THIRTY AND THAT HE
WAS GOING TO LAS VEGAS ON THE MORNING OF AUGUST FIFTEEN. AT SIX THIRTY
PM SUBJECT AND

BOARDED WESTERN AIRLINES FLIGHT THREE TWO NINE FOR LOS

ANGELES, EACH HAD PURCHASED A ROUNDTRIP TICKET FROM SAN FRANCISCO TO LOS ANGELES AND RETURN BUT HAD NOT REQUESTED ANY RETURN SPACE. INVESTI-GATION CONTINUING.

#### FLETCHER

CORRECTION

PAGE 1 LINE 14 WORD 4 SHOULD BE SUITE PAGE 2 LINE 17 WORD 1 SHOULD BE WAS

END

ACK IN ORDER PLS

WA 2-39 PM OK FBI WASH DC GAR

LA OK FBI LA DN

DISCONNECTOO

#### Office Memorandum UNITED STATES GOVERNMENT

DATE: 8/16/46

ALL INFORMATION CONTAINED

SUBJECT: TENJAMIN "BUGS" SIEGEL MISCHLIANEOUS - INFORMATION CONCERNING

Mr. Ostholthoff, Los Angeles, telephonically advised at this time that in accordance with Bureau instructions about ten days ago to go ahead with an open investigation of the construction of the Flamingo Hotel and any possible irregularities on the part of CPA personnel, that he plans to start this next Monday in this connection. Mr. Ostholthoff plans to go to San Francisco Monday and have Agents go to Reno at that time to talk to and he is also having Agents in Los Angeles go into CPA records there, at the same time. He stated he wanted to be sure before he goes ahead that they would have the backing of the CPA in Washington in getting the records.

The observation was made by Ostholthoff that it appears the CPA hearing may have been a cover-up as they obviously did not present much of a case. CPA investigator, had stated before the hearing that they had an open and shut case. The had also stated he had the blue prints which showed that there were two separate buildings and they should have constructed only one. Mr. Ostholthoff stated he did not know whether the blue prints were introduced at the hearing. It was also pointed out by Ostholthoff that a possible perjury may develop in view of the agreement which was made in grow from that the Webb Construction would testify they were working from the January plan rather than the March plan. Ostholthoff stated the San Francisco office was using a contact microphone when this information was obtained. Ostholthoff said they will obtain a advised after transcript of the hearing. the hearing in strict confidence that Senator Pat McCarran was in San Francisco the day of the hearing in case he was needed by the Flamingo people. The Government has until September 5, 1946, to present additional evidence to

Mr. Ostholthoff stated unless there was a change in Washington he will go ahead on Monday and keep the Bureau advised of developments.

ACTION TAKEN: I told Ostholthoff that I had not seen anything which would change the original instructions.

8F - XT



12c

## United States Senate

WASHINGTON, D. C.

COMMITTEES: ARICH TIME AND FORESTS

> SPECIAL COMMITTEE: WESTIGATING THE NATION

July 26, 1946

Gentlemen:

in which he states

brc

"There is a matter which I believe needs attention. There are a lot of \$1000 bills offering here at \$750, they can be sold at \$850 in Reno, I am told."

I am forwarding the information for your consideration. I know nothing or the alleged facts of either he mentions.

bro

Sincerely yours,

William F. Knowland United States Senator

Federal Bureau of Investigation Washington, D. C. K&COFWEE

bre

August 1, 1946

62-81318-89

Honorable William F. Znowland United States Senate

Bashington, D. C.

ALL INFORMATICS CONTAINED

My dear Senators

It was very kind of you so write as you did on July 26, 1946, concerning information received from

about the sale of \$1000 bills. It appears that this matter comes within the investigative juriediction of the Secret Service Division, United States Treasury Department, and I have taken the liberty of advising that agency of the information you sent to me.

With expressions of my highest esteem and best regards,

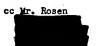
Sincerely yours, Ldgar Hoover

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1946



PERAL BURRAU OF INVESTIGATION ITED STATES DEPARTMENT OF

R 0-7-7-1 H H

COMMUNICATIONS SECTION.

SAC, SAN FRANCISCO BAC, LOS ANGELES -Transmit the following message to:

BENJANIR GUOTE BUGS TEGEOTE SIEGEL, MISCELLANDOGS INFORNATION, CRINS SURVEY. TH ACCOMPANIE WITH PAST EMPRICATIONS THE BURNAU DESIRES TO BE PROMPTLY ADVISED. WHINEVER A BEE TECHNICAL SURVEILLANCE IS CONTEMPLATED IN THE COVERING OF BENJAMIN SIRGEL'S ACTIVITIES. DESPITE THE FACT THAT BLAKET AUTHORITY HAS BEEN GRANTED IN SO PAR AS STRUCK IN CONCERNED, PRIOR TO EVERY INSTALLATION ON SIEGEL, AUTHORITI MUST BE OBTAINED FROM THE BUREAU AND THE BUREAU ADVISED THAT COMPLETE SECURITY WILL BE MAINTAINED. FIRSTERR. IMMULATELY UPON SETTING UP THE INSTALLATION THE BUREAU MUST BE ADVISED CONCERNING THE TIME AND DATE OF THE INSTALLATION, THE SYMBOL ASSIGNED, THE NUMBER OF THE TELEPHONE INVOLVED. AND THE LOCATION OF THE PROBE. SUTEL DETAILS OF ANY TECHNICAL NOW EMPLOYED

ON SIEGEL IN ST. FRANCIS HOTEL, SAN FRANCISCO. ALL INFORMATION CONTAINED HOOVER. HEREIM IS UNCLASSIFIED EXCEPT WHERE SHOWN CLASSIFIED BY: OTHERWISE boc rvois ! Lago Lichols

## Federal Bureau of Investigation

### United States Department of Justice Los Angeles (13) California August 6, 1946

Director. FBI

# PERSO HAL AND CONFIDENTIAL

Re: BENJAMIN BUGS SIEGEL
MISCELLANEOUS; INFORMATION CONCERNING
CRIME SURVEY

Dear Sir:

The Bureau is requested to secure from the Treasury Departmen

Very truly yours,

EANDLET BY

DECLASSIFIED BY SIGNALIDE A. E. OSTHOLFHOFF

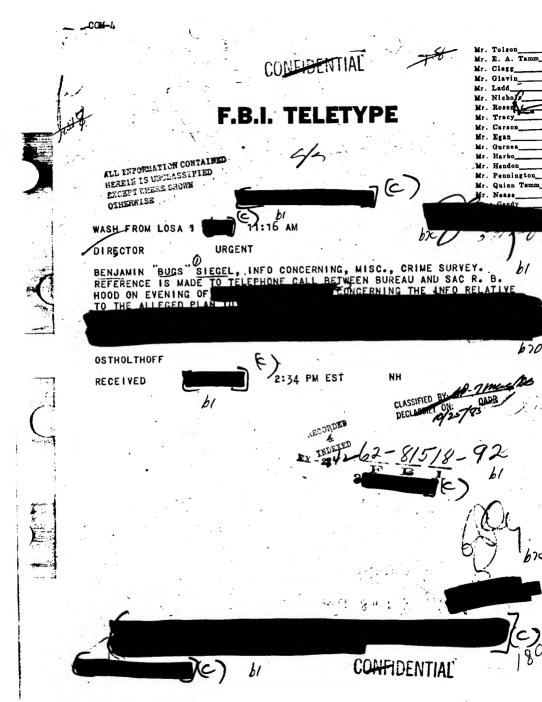
ARO 62-2837

29 FARIER AND TOP

BUY BUY STAMPS u halad of the

178

ec Mr. Tamm Mr. Rosen Mr. McCabe Mr. O'Grady 1g =19.4 August 15, 1946 \$ 623 81518, 4-91 The Honorable, The Secretary of the Treasury, Washington, D. C. My dear Mr. Secretary: It would be very much appreciated if you would forward uncertified copies of the 1943, 1944, and 1945 income tex returns of Benjamin Siegel, 250 Delfern Drive, Holmby Hills, los Angeles, California. IRS This information is desired in connection with an official investigation being conducted by the Federal Bureau of Investigation of this Department. Sincerely yours, (Signed) Tom C. Clark the Nd sh & hI only BIGNEL AND Alla 15 JO'G:KIN DIVISION OF RECOR



FIGHELD SCHLET OF INVOTED AND TO THE LOT STOTES DEFOUNDED IN THE MESTICE TOR THE SAN Diego Trust and Savines Bank San Diego 1, California August 16, 1946

PERSONAL AND COLFIDSTITAL

620

DIRECTOR, FBI

RE: CAPGA

Bureau File 62-81093

RE: BENJAMIN SIEG-L, with aliases

MISCELLAMEOUS INFORMATION

CRI'E SURVEY

Dear Sir:

Reference is made to my communication to the Director dated August 12,

1946, entitled as above, in which I mentioned the belief that

RECORDED

162-81517-9

44 100 22 1945

بيد

With reference to the information previously furnished telephonically by Mr. ONTHING from Los Angeles concerning

an opportunity was countries to cover portions of a conversation taking place in Cottage E56, at the Hotel. An apparently friendly card game was in progress at the time and during a lone discussion of various horses at the Del Mar Track, an unidentified person made a statement to the effect that no bookie at the track need have any worry about the FBI and its activities because that organization was not interested in bookmaking; that "the FBI goes strictly for the big stuff".

It was noted that next door and a dice game was in progress but it was apparent that it was only an amateur affair.

With reference to Mr. OSTHOLIZOFF's letter to me of Aurust 13, 1946, concerning a contact between in Los Angeles, at which time that "those guys who inquired about these two fellows at the lotel room are 'whiskers' and they were from out of town and this information was for out-of-town use". This conversation undoubtedly refers to describe in my latter of Aurust 12 labo, in this matter. The inquired discussed between is believed to refer to inquiries made at the Hotel, probably of the Hotel management, by

My previous correspondence indicates that the pad been ejected from the Jockey Club premises at the Del Lar Track as an objectionable character. He proceeded to Los Anceles thereafter and is known to have contacted

in a effort to be reinstated at the Jockey Club. On August 15, 1946, it is known that

now has a box in the Club House and the Agents who had had him under surveillance had other sources believe that he is engaged in making a book. However, he has not been seen to handle any money.

bx 670 I stated in my letter to the Director dated Argust 12, 1946, that at the time was ejected from the Jockey Club he was carrying the admittance book of an individual

Information from Los Angeles indicated that this book is registered in the name of the los Angeles Field Division is requested to furnish San Diego with any pertinent information concerning him.

Mr. OSTHOLTHOFF has advised me that has been in contact with an employee of the Del Mar Hotel. The identity has not been definitely established, but efforts toward that end are now being made.

Very truly yours.

W. A. MURPHY SAC

bx

62-477

cc's; 1-San Diego File 94-43
1-Los Angeles File 62-232
Attention: Mr. A. E. Ostholthoff
2-Chicago File 62-3679
Attention: Mr. E. J. Connelley
Assistant Director



DISECTOR, PRI PERSONAL & CONTINENTIAL

SAC, SAN MERCO

MEL MAR TURY CLUB
CHIES SURVEY IN SAN MERCO FIRED MEVISION

August 1, 1946

DECLASSIFIED SISP 7 Mac But

Due to receipt of remove that BUGS SINGED had secured an interest in the Dal Nor Turf Club, it was deemed advisable to interview

term rectual data with respect to the present ownership of the dish.



an the Del Nor Turi Club, He extributes such a remor to the fellowing circumstances:

An individual has within the part several months purchased the Del Mar Hotel and the El huncho Vegas at last Vegas, a garbling house, in which SIETHL may have had an interest. Thinks it is possible that persons knowing of purchase of El canoni Vegas may have misinterpreted the transaction, particularly in view of his

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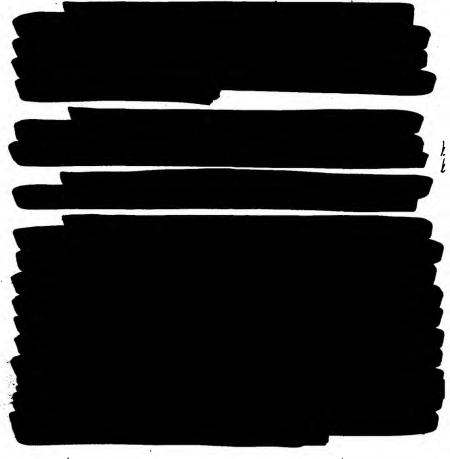
53AUG 28 1980

EX - 43

45 AUG 23 1946.

acquiring an interest in the Del Her Hetel, and thought that maybe this was a welled attempt on the part of SIRVEL to gain central of the Ruff Club.

In summation, SIRVEL definitely has no interest whatever in the Bel Her Turf Club, nor does have been have the los ingules arout.



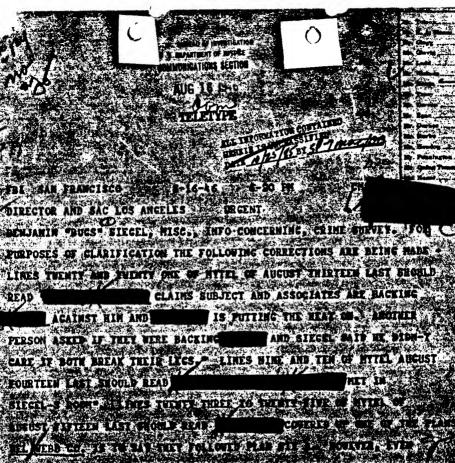


The New York Office 18 requested to advise the Bureau and San Biogo Office of any information in its files someoning which may be of interest.

The Chicago Office is requested to accertain through its sources data concerning the identity of

A copy of this communication is being furnished the Los Angeles Office for its information.

94-27 cc - Chicago los Angalos les York



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HELTO !

TRIPY FOR ME LIGHT THRITER, LAST SLEEL NEWFLONDS

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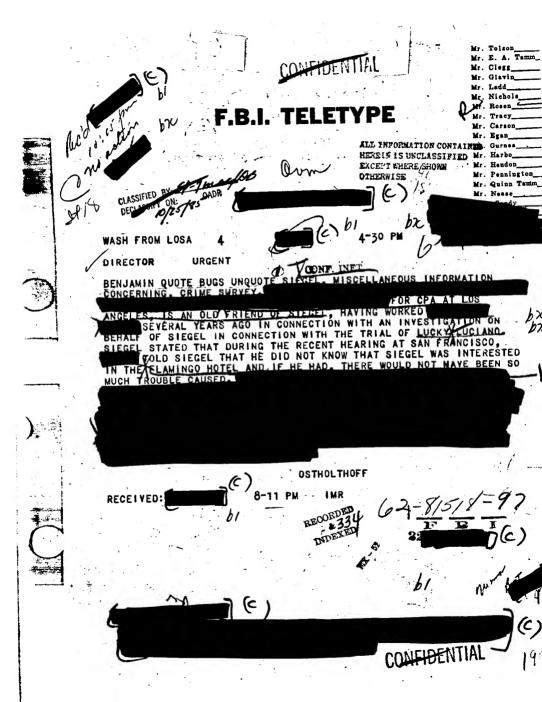
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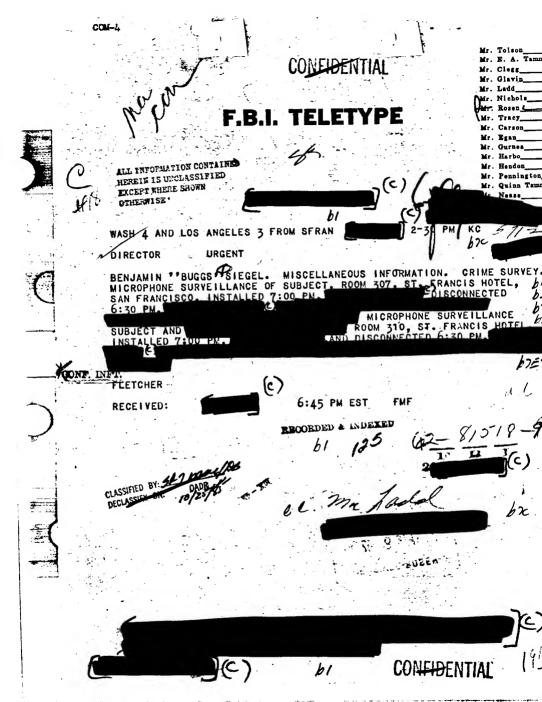
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Mr. Pannington ..

MASH FROM LOSAT 16 TO-46 AM

DIRECTOR URGENT

BENJAMIN "BUGSY" SIEGEL, INFO CONCERNING, CRIME SURVEY. REBUTEL

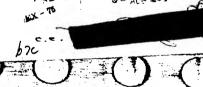
AUGUST TWO LAST.

MAL SOURCE THAT THIS INDIVIDUAL SHOULD COOPERATE WITH THE FBI IN MAKING COMPLETE FACTS AVAILABLE. THIS OFFICE MAINTAINING

CONTACT WITH WHO TO DATE HAS BEEN UNABLE TO CON-VINCE HIS INFORMANT THAT HE SHOULD COOPERATE. MATTER

BEING FOLLOWED AND BUREAU WILL BE ADVISED.

57 AUG 2 1/1046 7 67



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Office Mem. undum · united:

GOVERNMENT

Mr. E. A.TANN

August 20, 1946

SUBJECT: BENJAMIN "BUGS" STEGEL

Call 3:30 PM

MISCELLANEOUS - INFORMATION CONCERNING

Mr. Ostholthoff telephonically furnished the following information at this time from San Francisco. Ostholthoff stated he of the Compliance Section of CPA, and talked with who presented the matter before the Commissioner. They refused to allow Ostholthoff to look at their files and would not give him the name of the reporter who is recording the hearings, the theory being that this is still an open matter with them and they cannot let any other Government agency look at any of their files while the matter is pending. Mr. Ostholthoff stated that he asked respondents, the builders, could have transcripts of the hearings. replied that they could, if they paid the fee.

said there are some things off-the-record he wanted to go over with the Commissioner and urged Ostholthoff not to do anything until September 5 when there will be additional hearings. bx.

Mr. Ostholthoff also talked with for the CPA, today, and he again stated he had no control over Ostholthoff stated that man in Reno made the information there available to our Agent, in connection with the plans for the construction of the Flamingo Hotel.

The Commissioner ruled that the Government did not present a case sufficient to justify the stop order, and, therefore, the construction of the building could continue. The Commissioner said he will give the Government until September 5 to present some new evidence to justify the stop order.

Ostholthoff said that he can go ahead without the file, although it would be much easier with it. Ostholthoff will take no further action regarding until he hears from the Bureau. getting this material from

#### ACTION TAKEN

(2-81518-100

Ostholthoff was directed to prepare a memorandum outling just what the situation is and forward it to the Bureau AMSD for my attention. It was pointed out that the Bureau probably will go over to CpA, and if we cannot handle it directly we will probably handle it through the offices of the Attorney General. I told Ostholthoff he would be advised as to what action the Bureau takes in this regard. I also pointed out to Ostholthoff that in making these open inquiries he must be sure that they are confined to matters within the Bureau's investigative jurisdiction and not reveal our interest in any particular individuals.

bIC

Office Memorandum · united states government

TO : MR. E. A. TAM

DATE: 8/19/46

MOM ADA. ROSE

Call 5:40 pm

SUBJECT: RENJAM

BENJAMIN "BUGS" SIEGEL
WISCELLANEOUS - INFORMATION CONCERNING

Mr. Ostholthoff telephonically furnished the following information at this time from San Francisco. He stated that he and another Agent had gone to the CPA headquarters at San Francisco and talked with for the CPA, and explained they wanted to look into the construction of the Flamingo Hotel. was quite cooperative and he contacted the CPA man at Reno and told him to give our Agent anything he wanted.

However, Mr. Ostholthoff stated that Compliance Section of CPA, is not answerable to under their Washington office, and when Ostholthoff asked him to go over stated they the file on the Flamingo Hotel, refused. until September 5 to present more evidence to the commissioner and he said the Bureau investigation would probably interfere with their investigation. Ostholthoff asked if they intended to conduct some investigation and stated he did not know what they were going to do, the they were going to have a conference with the legal staff and go into the matter and for Ostholthoff to come back tomorrow. Ostholthoff stated h: the name of the court reporter who took the testimony of t said he did not think he should give that to him. said he did not think he should give us a transcript of the test. until such time as he is finished with his investigation. Mr. Ostholth superior in Washington and he wanted to know if the Bureau desired to contact him. He stated he want to advise the Bureau regarding as he did not know whether he intended to contact their Washington office.

ACTION TAKEN: I told Mr. Ostholthoff to make a formal request of tomorrow for the material desired, pointing out that we do not feel justified in having two investigations running concurrent and that we are going ahead with ours, and that we certainly feel it is the duty of Government agencies to cooperate.

ALL INFORMATION CONTAINED
HEREIN ISSUE ASSIFIED
DISTRICTOR OF THE STATE OF THE STAT

RECORDED 62-81519

SEP 3 199

# Office Memuicinum . United States Covernment

TO

FROM

SUBJECT: V BENJAMIN "BUGS" SIEGEL INFORMATION CONCERNING CRIME SURVEY

ALL INFORMATION CONTAINED

Mr. Ostholthoff, Los Angeles, telephonically furnished the following information.

CONFERENCE OF SIEGEL,

AT LAS VEGAS

hac

From 11:40 P.M., August 20, 1946, to 1:50 A.M., a conference, which was covered by Agents, was held in Ben Siegel's hotel room at Las Vegas which was attended by Siegel.

commented upon the fact that he were having considerable difficulty in arranging for a loan for further construction of the Flamingo Hotel from the Los Angeles banks. is reported to have been told by a friend of his, unidentified, who is an executive in the Bank of America, that the reason the banks were unwilling to consider a loan was because Siegel was being investigated by the FBI. that he had communicated with the Los Angeles FBI Office and had learned that the Bureau was investigating the case for two reasons: (1) to determine if any bribe was paid in connection with the construction of the Flamingo Hotel and (2) to ascertain the sources of Ben Siegel's money. Mr. Ostholthoff stated that no call was made to any person in the Los Angeles Division and had made no call and was merely guessing as to the reasons why the FBI might be investigating this matter.

thought it would be a good suggested to Siegel that idea for Siegel to go to the office of the FBI and ask why they were investigating him. Siegel stated that if the FBI wanted to talk to him they could come and see pointed out to Siegel that the FBI would never come to see him and it might be to his interest to find out what the matter was about. Siegel then b indicated he would consider it.

#### POLITICAL CONNECTIONS

Siegel stated that he had made a \$500 contribution to the campaign fund for on August 20, 1946, and that he was not concerned with Senator McCarran because he was already cooperative. Siegel indicated he might attempt to obtain a RFC loan in connection with the construction of the uggested to Siegel that when he next saw Senator, Flamingo Hotel. McCarran he should caution Senator McCarran "to play cozy" in the event Senator b McCarran was questioned by the FBI concerning their activities.

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RECORDED & INDEXED

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Mr. A. Rosen

b21

Mr. Ostholthoff advised that information was previously furnished concerning the

He advised that at 7:17 P.M., August 20, 1940, Siegel re-

Caller: "Ben"
Siegel: "here are you - in Cleveland?"

ceived a telephone call in which the following conversation took place:

Siegel: "I will see you tomorrow, at least I will see you tomorrow night."

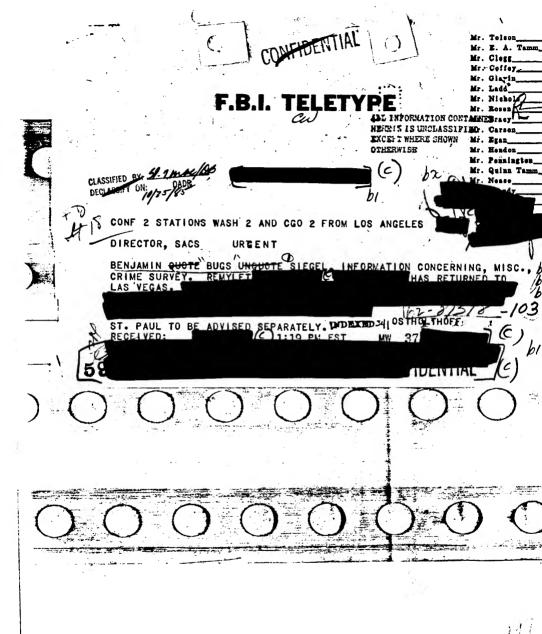
was subsequently located in Las Vegas. Siegel has reservations to leave los Vegas by air for Chicago at 6:30 P.M., August 21, 1946. Arrangements have been made to maintain a physical surveillance on Siegel when he arrives at Chicago.

#### NEW CONSTRUCTION FLAMINGO HOTEL

Mr. Ostholthoff advises that the pointed issue with the CPA in the construction of the Flamingo Hotel is whether or not there is more than one building. It would appear that there are actually three buildings: (1) the Casino, (2) the hotel itself, and (3) a building for stores in connection with the hotel. Siegel and his associates maintain that the same constitutes merely one building and they have planned connecting all three buildings by walls and roofs at an expenditure of \$15,000 so that there can be no question as to the fact they constitute one building. At the same time they are planning to erect a high fence around the project so that no one will be able to observe the construction from the street.

#### ACTION BEING TAKEN

The case will be followed closely and you will be advised of all' developments.



# UNITED STATES GOVERNMENT DATE: 8/27/46 Call: 2:30 D.M. A. HOSEN SUBJECT: ... BENJANTN WBUGSW SIEGEL MISCELLANEOUS - INFORMATION CONCERNING At this time Mr. Ostholthoff of Los Angeles, telephonically that former Agent came into the office and talked advised that former Agent with Mr. Hood and Mr. Ostholtholf. He advised he was representing and that they had asked him to tell them they were ready and willing to come into the office and answer any questions asked of them. Ostholthoff stated that he and Mr. Hood advised as any citizen, would answer any question we asked. is now running a detective agency and was apparently hired as public relations counsel to carry this message to the Los Angeles Division. ALL INFORMATION CONTAINS

Office Memorandum · UNITED STATES GOVERNMENT : CMr. A. Rosen DATE: August 26, 1946 ALL INFORMATION CON & BENJAMIN "BUGS" SIEGEL SUBJECT: INFORMATION CONCERNING; MISCELLANEOUS: CRIME SURVEY The attention of Assistant Special Agent in Charge Notesteen, St. Paul, was called to the letter dated August 20, 1946, from the Los Angel, and Division to the Bureau, copies of which were directed to the Saint Paul Office. He was advised that the information furnished concerning the alleged was to be treated as confidential and was not to be plan disclosed to anyon, and no inquiries were to be made. He was instructed, however, that if any information was received concerning this matter it should be immediately called to the attention of the Bureau. bre 70 SEP

#### Federal Bureau of Investigation

United States Department of Justice Los Angeles (13) California August 20, 1946

PERSONAL AND CONFIDENTIAL

Re: BENJAMIN "BUGS" SIEGEL INFORMATION CONCERNING: MISCELLANEOUS; CRIME SURVEY

Attention: ASSISTANT DIRECTOR ROSEN Nr. Garage

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Lr. Purio ....

har. Penningte

L. Quina Ter Ver se .....

b7

Dear Sir:

Reference is made to the telephonic conversation between the Bureau and Special Agent R. B. HOOD on the evening of August 19, 1946 regarding the allegation that It was reported that

had left from Las Vegas on the evening of August 18, 1946 for Vinneapolis. From the information available, it was thought that would take place during this week. The reason for the was believed to be that BEN SIEGEL was running low on money for the hotel (Hotel Tlamingo, Las Vegas, Nevada) and he is using this method to obtain more money.

Regarding the report of Special Agent dated August 14, 1946 at Minneapolis in the CAPGA Case sets forth information regarding

DEPERED RECORDING

The report of Special Agent dated August 16, 1946 at Cleveland in the CAPGA Case reflects information

beginning on Page 112.

RECORDED. BUY COPIES DESTROYED

regarding

August 20, 1946

Director, FBI

Re: BENJAMIN "BUGS" SIEGEL

with the referenced report of Special Agent and were furnished to the Bureau, Assistant Director E. J. CORNELLEY at Chicago and to Salt Lake City.

It was determined telephonically through Special Agent

Las Vegas, on August 20, 1946 that a who
is believed to be add left Las Vegas at 8:30 p.m. on
August 17, 1946 via T.W.A. Flight Number 4, Plane Number 339 on a ticket
purchased to Chicago. It was indicated there was to be a plane change
at Kansas City. However, there was no reservation for

Kansas City to Chicago. He can go by Mid-Continent Airlines to Minneapolis
from Kansas City or via the Baniff Airlines. He could also go on to Chicago
and take the T.W.A. plane to Minneapolis.

With regard to BENJAMIN SIEGEL, Agent advised that on August 17, 1946 SIEGEL had requested the Western Airlines for reservations on the 21st to Chicago. Western Airlines confirmed these reservations and he would leave at 9:20 a.m. on August 21, 1946, but he was informed that the United Airlines was unable to confirm his reservation from Denver to Chicago. The first available space from Denver was reported as being September 9, 1946. However, he might obtain last-minute cancellation from Denver to Chicago.

We action should be taken with regard to the information regarding by the alleged plan bending instructions to the contrary from the Bureau. It is requested, however, that the Chicago Field Division make available photographs which photographs were previously furnished to the Chicago Field Division in the report of Special Agent mentioned herein, to St. Paul.

For the assistance of the Chicago and St. Paul Field Divisions, there are attached two photographs of BENJAMIN SIEGEL for each of those offices.

The following is a physical description of BENJANIN "BUGS" SIEGEL:

Born February 28, 1906 at New York Age 40

20

Director, FBI

August 20, 1946

#### Ro: BENJAMIN "BUGS" SIEGEL

Height Weight 157 Hair Dark brown Gray-green Ryes Jewish Race 190586 FBI Number 8 years grade school Education Betting commissioner and investment Occupation broker

Parents broker
MAX and JEANNIS SIEGEI

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acceptholoffw.

Very truly yours,

brc

62-2837

### AMSD

CC: Chicago (Attention: Asst. Director E. J. CONNELLEY), Encl. 2 AMSD St. Paul AMSD, Encl. 2

## Office Memorandum . UNITED STATES GOVERNMENT

DIRECTOR, FBI

DATE: August 22, 1946

DIE 1125/18 BY 5 P. 1 Mar 105

bx

ALL INFORMATION CONTAINED

HEREIN IS UNCLASE

SUBJECT:

FROM : SAC, BOSTON

BENJAMIN "BUGS" SIEGAL,

MISCELLANEOUS INFORMATION CONCERNING CRIME SURVEY

Reference is made to the teletype from the Los Angeles Field Office on August 13, 1946 to the Bureau, New York and this office in connection with the above captioned matter.

The Boston Office was requested to advise the Los Angeles Office of and the identity of

Your attention is called to the investigation was., Miscellaneous Information Concerning," of which Washington Field is origin. Reports available in this office on that case reflect



INDEXED 303

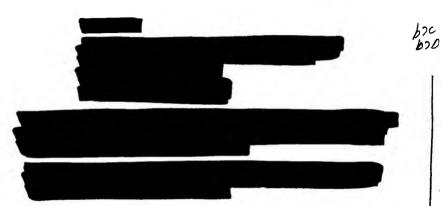
55 AUG 3 3 1946



## FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

	Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.
×	Deleted under exemption(s) big big big with no segregable material available for release to you.
	Information pertained only to a third party with no reference to you or the subject of your request.
	Information pertained only to a third party. Your name is listed in the title only.
	Documents originated with another Government agency(ies). These documents were referred to that agency(ies) for review and direct response to you.
	Pages contain information furnished by another Government agency(ies). You will be advised by the FBI as to the releasability of this information following our consultation with the other agency(ies).
	Page(s) withheld for the following reason(s):
	For your information:
Ø	The following number is to be used for reference regarding these pages:  (2-8/5/8-/07 pg 2

XXXXXX XXXXXX XXXXXX



While the Boston Office will continue its investigative activity in the above, inasmuch as it closely fits into the Capga matter in this area it was thought that the offices interested might desire the above information. It is noted that mentioned in referenced teletype could be

62-1875 b7c oc New York City oc Los Angeles

### fice Memorandum UNITED STATES GOVERNMENT

Director, BI

DATE: August 15, 1946

Z. OSTHOLTHOFT

SUBJECT: BENJAMIN "BUGS" SIEGEL MISCELLANEOUE: INFORMATION CONCERNIE CRIME SURVEY

ALL INFORMATION CONTAINED

This is to advise that on July 22, 1946 a news article appeared in the LOS ANGELES EXAMINER under the caption "Sleuths Scrutinise Gin Runny Game", in which was reported that the cards of a \$3,000,000 swindle were laid on the table of Rollywood film colony yesterday". Listed among the victims were Colonel LEON MANDEL, Chicago Department Store magnate, who was reportedly taken for \$115,000 which was settled for \$95,000; SAM GOLDWIN, the Producer, was reportedly another big loser to the amount of \$40,000. The article indicated that Detectives MICHARL MAC DOUGALL, exposer extraordinary of the card sharks and RAY SHINDLER, a New York Private Operative, were said to have been employed by MANDEL and two PER BURED TO ranking Hollywood producers to investigate.

With reference to the above-mentioned article, the following-

With reference to the mustermentation of this office in connection information has been brought to the attention of this office in connection with the investigation being conducted with regard to subject SIEGEL. On August 4, 1946, it was reported by that had contacted there was a general discussion of propositions available in Las Vegas. indicated he had a friend who was a lawyer in New York by the (phonetic), who desired to place some money in a proposition. A discussion was had with regard to the new Hotel Flamingo at Las Vegas.

Further,

and\

advised the fellows involved were

also indicated there was nothing to the story, that it was just newspaper talk. He related that had beaten Market hit he smount of \$115,000, but had never collected a "nickel". related that "they", undoubtedly were "moving around here lamong the good set". peaning

293 ه 3 On August 9, 1946 eported that had contacted BEN SIRGEL, at which time SIEGEL discussed at some length numerous difficulties that he was having with the C.P.A. mithererand 946 to the building of the new Flamingo Hotel at Las Vegas. indicated that he had spoken to

55 AUG 30 1946 IN

Director, FBI

August 15, 1946

Re: BENJAMIN "BUGS" SIEGEL

and he wanted to talk to on the same thing as he had discussed with indicated that name was "tangled" up in the same matter and that the information had come connecting hame with undoubtedly SIEGEL indicated was away and that undoubtedly he (SIEGEL) could give any information desired. related that the people who were hiring him had said that was a buddy of SIEGEL stated had not seem in a year and one-half and that he has not talked to him more than five times in his whole life. SIEGEL stated: "You can put that in your report". indicated he desired in indicated he desired informabackground; however, SIEGEL indicated that did not tion on or "any one of them". SIEGEL stated: "You can say that you interviewed him in your report\*. This conversation was closed when SIEGEL stated that if "there is something I hear or that you want to know, just give me a call". The same confidential source as mentioned above indicates that SIEGEL. and had been in contact with each other on several occasions.

With reference to the name of previously mentioned the Los Angeles Field Office files indicate that

Regarding the Los Angeles Field Office files reflect that on August 13, 1946.

Los Angeles, advised that an associate of SIEGEL and GEORGE RAFT.

Chicago Field Office dated August 12, 1946 in the CAPGA Case advised that and other prominent members of the Chicago gambling syndicate meet frequently.

Regarding the identity of the Los Angeles Files
reflect a case entitled

The Euresu was advised as to the
inquiries made at Los Angeles in the report of Special Agent

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- 2 .

Director, FBI

August 15, 1946

Re: BENJAMIN "BUGS" SIEGEL

dated April 26, 1945 at Los Angeles.

with reference to your attention is directed to my letter dated July 3, 1946 in the case entitled MACKETEERING ACTIVITIES, LOS ANGELES FIEID DIVISION, in which information was set forth concerning SIEGEL's having contacted

The above data is merely brought to the attention of the Bureau for its information and should further information of this nature come to the attention of this office it will be furnished to the Bureau.

62-2837 bx

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	ro : MR. E.	A. TANK			pall: 2:30 p.	n. kr. Coffey
	FROM : A. ROS					Mr. Acada
	SUBJECT: BENJAM	N' "BUGS" SIEGEL ANEOUS - INFORMA	TION CONCERNIN	G		Mr. Eran Mr. Hent II Mr. Pent Inton Mr. Ouinn Tann
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DERAL BUREAU OF INVES

To: COMMUNICATIONS SECTION.

1-13-46 BRGEST

Transmit the following message to:

SAC ST. PAUL

CAPGA. REFER BULET BATED JULY SEVENTERS LAST TO WASHINGTON FIELD, COPY TOUR OFFICE. REDUISTING BACKGROUND AND PREVIOUS ASSOCIATES OF

IN ST PAUL AND MINIMAPOLIS AREAS. SUTEL IMPORTATION

DEVELOPED TO DATE AND SUBMIT DETAILED MEMORANDUM COVERING DEVESTIGATION.
TO REACH RUREAU NO LATER THAN AUGUST SITTEM MEXT.

DOVER

**ED** 

brc

es Siegel Pile

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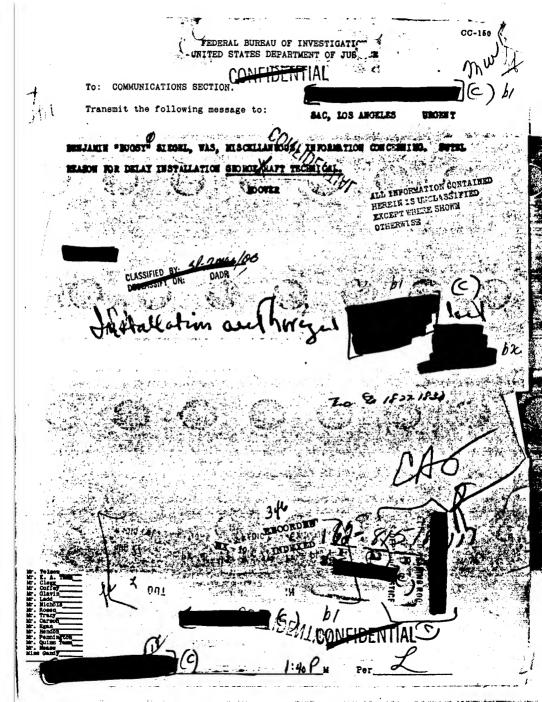
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SEP 4 - 1/3

Per\_\_\_\_



-Mr. Rosen

August 19, 194

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MINCELIANEOUS IMPORTATION CONCERNING

62-61518

ALL INFORMATION CONTAINED

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RECORDEL

162-815/8-112

Office Memorandum • United States Government

Director, FBI

DATE: August 20, 1946

SA A. E. OSTHOLTHOFF

SUBIRCT:

BENJAMIN "BUGS" SIEGEL MISCELLANEOUS: INFORMATION CONCERNING: CRIME SURVEY

AIR MAIL SPECIAL DELIVERY

ALL INFORMATION CONTAINED note that the tion; Assistant Director A. ROSEN

This memo will confirm the telephone conversations between the writer and Assistant Director ROSEN on August 19 and August 20, 1946.

Special Agent of the San Francisco Office and myself on August 19, 1946, interviewed Civilian Production Administration, 1355 Market Street, San Francisco, Caliwas advised that we were interested in going over the files of the CPA in connection with the construction of the Flamingo Hotel at Las Vegas, Nevada; that we had information that there was possibly fraud against the Government involved in connection with the original permission granted to the builders of the Flamingo Hotel. stated that he was not fully acquainted with the facts in the matter but that for CPA, would have the complete file on this matter.

explained that he does not control the activities of reports directly to of the Compliance Division of DEPTERED RECORDING the CPA at Washington, D. C.

came to the office of at which time we requested that he permit us to review the file on the Flamingo Hotel, and property he stated that he could not do this in view of the fact that an investigationner was pending with regard to this matter. He advised that he did not know what further investigation would be conducted by the CPA and stated he was to have a conference with the legal staff of the CPA on August 19, 1946, and requested that we return on August 20, 1946.

> On August 20, 1946, a conference was held at which were present and Special Agent

and the writer. At this time we again requested to go over the entire matter with us, and they advised that they would not let us see the files nor would they discuss fully the facts developed by CPA in their investigation nor would they furnish us the facts brought out at the hearing before by both the Government and the respondents. We also formally requested the name of the reporting firm preparing the transcript of the hearing held before

aid that he would not furnish that to us. At this point stated that after the transcript is prepared by the reporter he desired to go

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Director

August 20, 1946

bx

over the transcript with the property of the fact that there were \$70 some matters in the transcript which were off the record. While the did not state he intended to change the record, the inference was there.

It was pointed out to both that the FBI had jurisdiction to investigate fraud against the Government cases and that was the reason for our request for information. The requested that we defer any investigation until after September 5, 1946, and stated that in the meantime the CPA plans to conduct investigation which they hoped will result in the reason for our requested that any investigation by the FBI would interfere with the CPA case. He was asked how an FBI investigation would interfere, and he stated that he did not know.

Both were pressed repeatedly for information concerning this matter, and finally dismissed all questions by stating that be would not furnish us any information unless he were instructed to do so by his superiors in Washington.

62-2812 AEO BX Office Memorandum . UNITED STATES GOVERNMENT

MR. ROSEN

DATE: August 26, 1946 62-81518

FROM SUBJECT:

BENJAMIN SIECEL, with aliases

INFORMATION CONCERNING; MISCELLANEOUS

CRIME SURVEY

ALL INFORMATION CONTAINED

PURPOSE

To advise you that in connection with investigation being conducted concerning a possible Fraud Against the Government violation angle by Siegel in the construction of the Flamingo Hotel in Las Vegas, Nevada, difficulty was encountered by Agents making inquiries of for the Civilian Production Administration and would not cooperate with the Bureau and refused to allow Agents to examine the CPA files and further they would not furnish any facts brought out in a hearing held on August 13 unless they were instructed to do so by has advised of the CPA in Mashington, D.C. that the regulations of the CPA specifically prohibit field offices of CPA to furnish information to other agencies.

#### BACK CROUND

On the basis that the construction of the Flamingo Hotel in Las Vegas, Nevada, is being built in violation of a freeze order issued by the CPA in March of 1946, a possible Fraud Against the Covernment violation investigation was instituted against Benjamin Siegel. Information along this line was originally furnished by of Los Angeles that the construction of the Flamingo Hotel has not progressed further than "a few stakes being driven in the ground" when the freeze order regulating all commercial building under CPA went into effect. The freeze order of the CPA went into effect on March 26, 1946.

further reported that when the order came through the construction had not progressed far enough to qualify for the granting of a further informed that it was rumored permit for its continuance. funds were bx that through made available to Senator Pat AcCarran of Nevada and shortly thereafter construction further reported that after construction continued, was authorized. the records of the construction company were falsified to show that the construction had progressed to a greater extent than it had as of March 26, 1946 when the freeze order became effective. LA IMDHIXMEN NEWSPAPER PUBLICITY

An editorial appeared in the Las Vegas Tribune, a weekly newspaper, on August 1, 1946 complaining of the fact that the Federal authorities were permitting the construction of the Flamingo Hotel while the veterans were homeless due to a shortage of building material. STOP ORDER

On August 8, 1946 Mr. Ostholthoff at Los Angeles advised that information was received on that date to the effect that a "stop order" had been issued against

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Siegel and his associates in connection with the construction of the Flamingo Hotel at Las Vegas. This stop order was dated August 7, 1946. At the time the stop order was issued the attorney for Siegel in Las Vegas, Kevada requested the regional office of the CPA in San Francisco to allow the construction of the building to be continued pending the cutcome of the hearing, by which was scheduled within a week. The request

#### BUILDING PLAN

of the CPA, upon being contacted by Agents informed that the CPA regulations specifically prohibited a person in the field from giving information to other agencies. record, showed a diagram of the Flamingo Hotel, which comprised the Casino, the kitchen and the dining room surrounded by a 200-room hotel, a series of stores and a series of cottages which would complete the layout. advised that Building No. 1, which comprised the Casino, kitchen and dining room, was actually under construction prior to the original CPA freeze order issued on March 26, 1946. However, none of the other buildings were under construction nor were there any connecting tunnels or conduits indicating that they were a part of the structure under progress. According to relative buildings under construction, such as these wherein separate and distinct buildings were being built, the CPA has always refused to permit any further building except the ones actually under construction prior to the freeze order. bointed out to the Agents that based on previous CPA decisions in similar cases he did not see how it would be possible for the CPA to give the Flamingo Hotel permission to continue with its construction. He stated that the CPA had an "open and shut case against Siegel".

#### EVIDENCE PRESENTED AT HEARING

At the hearing held on August 13, 1946, before

the was appointed to hear the matter,
he has advised that the architects for the Flamingo Hotel presented a plan
dated January 12 and contended that this was the plan followed in the construction of the Flamingo Hotel.

The pointed out at the hearing that
this plan lacked details such as elevation and he, therefore, questioned
whether they could proceed with the building, using only the plans of January
12. The contractors for Siegel further produced a letter directed to the CPA
dated April 17, 1946, in response to a wire from the CPA dated April 16,
which stated that they must stop construction if the construction was in
violation of the freeze order. The respondents produced a letter to the
effect that they were proceeding on the plan of January 12 and as the building was
started before March 26 they were not violating any freeze order.

advised that the CPA failed to present any proof that the respondents were
violating any order issued by the CPA, and from the facts presented he
decided in favor of the respondents.

#### ATTEMPTS TO SECURE DIFORMATION OF

Mr. (stholthoff has advised that he personally talked with of the CPA, and who presented the matter before the commissioner on August 13. Rr. Ustnorthoff

#### Memo for Mr. Rosen

has informed that these two individuals have refused to allow the Bureau to look at their files and would not give him the name of the reporter who recorded the hearings, the theory of being that this is still an open matter with the CPA and they cannot let any other Government agency look at any of their files while the matter is pending. advised Mr. Ostholthoff that there was some off-the-record things he wanted to discuss with the commissioner, and he urged Mr. Ostholthoff not to do anything until September 5 when there will be an additional hearing. Mr. Ostholthoff again on August 20 had a conference with and made a further request to examine the files of the CPA and was again denied the information in the files of the CPA together with the transcript of the hearing held before Mr. Ostholthoff pointed out to both that the FBI has jurisdiction to investigate Fraud Against the Government cases and that was the reason for our request for information. requested that the FBI defer any investigation until after the hearing held on September 5, 1946. further stated that any investigation by the FBI would interfere with the CPA case. However, when questioned as to why any investigation conducted by the FBI would interfere with the CPA investigation. stated he did not know.

#### ACTION TO BE TAKEN

has conferred with CPA officials and will advise as to the result of his conference.

### Office Memorandum ullet united states government

MR. TOLSON

DATE: 8/28/46 ALL INFORMATION CONTAINED

R. C. HENDON

EASSIFIED HEREIN IS BY 58-2000/85

SUBJECT: BENJAMIN SIEGEL, with aliases

Information Concerning; Liscellaneous Crime Survey

Reference is made to the memorandum from Supervisor to Mr. Rosen dated August 26, 1946, concerning the Flamingo Hotel in Las Vegas, Nevada, which Siegel and his associates are attempting to construct. Pursuant to the Director's desires on Saturday evening, August 24. I spoke to personal friend of mine of the Civilian Production Administration. I told briefly that certain individuals including Siegel had been attempting to obtain clearance to build this botel near Las Vegas which it was my understanding was to be utilized as a gambling casino. I stated that a hearing had bee held in San Francisco on August 13 relative to the freeze order which had been issued by the CPA and another hearing was coming up on September 5, at which it would be determined whether further construc would be permitted. I told that he might want to persona check into this matter since it was potentially dangerous from the standpoint of public criticism and criti<u>cism from vete</u>rans organizations should such construction continue. was very appreciative of my calling this to his attention, stating that he was n familiar with it and that certainly if possible he would want to stop construction of this type.

that the Bureau was interested in t' I further told matter from a possible Fraud Against the Government violation angle. for the I stated that CPA covering that area, had rejused to furnish us with a transcription of the August 13 hearing and had even refused to furnish us the name of the reporter who took the hearing from whom we might ourselves obtain a copy of the transcription. I stated that he further refused that their file available to us. stated that this was be absolutely silly and that he would take necessary steps to see that we got a copy of the transcription and the file was made availal EX - 22

As a result of this conversation telephonec me on the morning of August 27 in compliance with in-He state that under the war compliance act or statute, material collected by his investigators was considered to be confidential and the Weere un instructions not to make it available to other agencies without subpoena. He said, however, that as a practical matter they ordinarily would make it available to the FBI, Internal Revenue and other autho ized agencies on a confidential basis for review and then if it was to be used publicly, appropriate subpoens could be issued. COPIES DESTROYED

\$11 NOV 17 1964 56 SEP 9 - 1946 I explained to the lack of cooperation on the part of his San Francisco Office and he stated that it would appear had been leaning over backwards in complying with the above instructions. He stated that he would telephone office immediately and see that a copy of the transcription was made available and that the material from their files would also be available.

Shortly thereafter he telephoned me back and stated that he had been in contact with 1355 Market Street, San Francisco, who indicated that they could not previously make a copy of the transcription available to us since it had just been received yesterday and further their file only consisted of work papers which had constantly been in use in their efforts to prepare for the Sentember 5 hearing. He said arrangements had been made for to make available to our respresent tive a copy of the transcription, together with any material desired from the file.

the hame of the hearing reporter.

be moderned.

Office Memorandum · UNITED STATES GOVERNMENT Mr. E. A. Tamp DATE: August 23, 1946 FROM : A. Rosen Call 11:35 4.M. SUBJECT: BENJAMIN "BUGS" SIEGEL INFORMATION CONCERNING 19725 CRIME SURVEY Mr. Ostholthoff, Los Angeles, advised that it had been necessary to pull all technicals in this case located at Las Vegas during the evening  $\frac{v}{k}$ of August 22, 1946. FACTS Mr. Ostholthoff stated that early in the rening of August 22, 1946, Mr. Ostholthoff stated that apparently something went wrong with the machine because when Agents were playing it back it was going back out. 62 All techs were immediately pulled. Mr. Ostholthoff advised that detailed memoranda were immediately being prepared by both Special Agent who handled the installations and Special bx who was handling instant call. He advised that copies would be immediately dispatched to the Bureau. He further advised that he received the call about 11:30 P.M., Los Angeles time, and that the trouble had occurred on the long distance line at the Las Vegas Club. OBSERVATION RECOMMENDATION: It is recommended that a qualified sound man be dispatched by the Bureau to Las Vegas for the purpose of determining the exact cause of the Wdifficulty. KECOKDED

emorandum • UNITED S... GOVERNMENT

DATE: August 20, 1946

SUBJECT:

BENJAMIN "BUGS" STREET.

MISCELLANEOUS INFORMATION CONCERNING

CRIME SURVEY

PURPOSE

ALL INFORVATION CONTAINED HEREIN IS THOU DATE 10/25/05 BY 50-7

This is to advise you that a hearing was held at San Francisco on August 13 last concerning a "stop order" issued by the C.P.A. in connection with the construction of the Flamingo Hotel in Las Vegas, Nevada. was appointed to hear the subject matter and from the facts presented at this hearing decided in favor of the rehowever, allowed the C.P.A. until September 5th to produce further evidence, and unless such evidence is presented, the case will then be closed.

#### BACKGROUND

The Los Angeles Office recently advised that in connection with the construction of the Flamingo Hotel in Las Vegas, Nevada, a stop order was issued by the C.P.A. against the Del Webb Construction Company which had been employed by Benjamin Siegel to construct the Flamingo Hotel in Las Vegas, Nevada. who was appointed to hear the case, has advised that the following appeared as interested parties: Benjamin Siegel, and

of the Del Webb Architects. further advised that the respondents were represented by the following attorneys:

At the hearing advised that the respondents exhibited a plan dated January 12th and testified that this was the plan followed in the construction of the Flamingo Hotel. stated that he pointed out at the hearing that this plan lacked details such as elevation and he therefore questioned whether they could proceed with the byc building using only the plans of January 12th. further advised that he asked if the local building code required filing of detailed plans, and he was adreported that at the hearing the respondents showed vised in the negative. that they had received a wire on April 16, 1946 from the C.P.A. to the effect that they must stop construction if the construction was in violation of a freeze order placed at that time. The respondents further produced a letter directed to the C.P.A. stating that the construction was proceeding on the plan of January 12th and as the building was started before March 26th, they were not violating any freeze order. further advised that the respondents produced testimony to the effect that they had spent over \$700,000 and committed themselves to about further advised that he was concerned with the operation of the C.P.A. in that they failed to present any proof that the respondents were vio-

lating any order issued by the C.P.A. Therefore, from the facts presented he decided in favor of the respondents. However, he allowed the C.P.A. until September 5th 20

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the case will then be closed.

produce further evidence if desired, and unless the C.P.A. requests in the hearing

R. A. TAWN

TECHNICAL SURVEILIANCE - BENJAMIN SIEGEL

The tachnical surveillance on Benjamin Siegel reflected that on August of the Del Webb Construction Company, Visited Siegel in his room and mentioned the name Siegel is reported to have stated that he could get and straighten the whole matter out instead of spending money for lawyers. The los Angeles Office has advised that the mentioned might possibly be bof the C.P.A.

or the C.F.A. at Los Angeles, was an old friend of his and that he worked with several years ago in connection with an investigation on behalf of Siegel in connection with the trial of Lucky by the cano.

Siegel was in recent told Siegel he did not know Siegel was interested in the Flamingo Hotel, and that if he had, there would not have been so much trouble caused.

ACTION TO BE TAKEN

You will be immediately advised of further developments in this matter.

bic

## Office Memorandum . UNITED STATES GOVERNMENT

TO : Mr. A. Rosen

DATE: August 28, 1946

Call 3:15 P.M.

subject: Benjamin "Bugs" Siegel

MISCELLANEOUS; INFORMATION CONCERNING; CRIME SURVEY

ING; ALL INPORMATION CONTAINED HERE IN 15 10 25 BY SD 7 Mary

#### CONFERENCE CPA

Mr. A. E. Ostholthoff was contacted at the San Francisco Division Wiss Dat and he advised that he had just had a conference with the CPA officials. The CPA officials made available a copy of the transcript of the minutes of the hearing held in connection with the construction of the Flamingo Hotel. They stated that everything in their files was contained in the transcript except the plans for the Flamingo Hotel which were in the possession of one of their investigators handling the matter at the present time at Las Vegas. Mr. Ostholthoff advised he was to have a further conference with the CPA officials and would endeavor to obtain from them an opportunity of reviewing the complete file in the case. Mr. Ostholthoff was advised that arrangements had been made with the CPA officials in Washington so that complete cooperation would be afforded and that it was not to be limited to merely making available the transcript of the hearing. Mr. Ostholthoff will contact the Bureau in the event any difficulties are encountered in obtaining access to the complete file. He stated that apparently they were not available at San Francisco but that the aerial photographs obtained by the Bureau of the Flamingo Hotel would probably be adequate for Bureau purposes.

### TECHNICALS AT LAS VEGAS

Mr. Ostholthoff's attention was called to the fact that no memoranda had been received at the Bureau concerning the difficulty which occurred on the technical installation at Las Vegas on August 22, 1946. Mr. Ostholthoff advised that he had arranged to have the memoranda prepared by the Agents submitted to him at Los Angeles and that he had not as yet had an opportunity of reviewing same and submitting them, together with his recommendations, to the Bureau. He stated he would immediately upon his return to Los Angeles have the same submitted to the Bureau. He advised that a test had been made with this machine and it was the only one that was defective.

#### ACTION TAKEN

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placed

bIE

everal Bureau of Investigation

United States Department of Justice Los Angeles (13) California

August 21, 1946

Director, FBI

ASSISTANT DIRECTOR ROSEN

BENJAMIN "BUGS" SIEGEL MISCELLANEOUS: INFORMATION CONCERNING; CRIME SURVEY

For the completion of your file in connection with the Dear Sir: instant matter there are enclosed two photographs of BEN SIEGEL. DITERRESPONDE

Very truly yours,

HANDLADBY a. C. Ostroll A. E. OSTHOLTHOFF

Encl. (2)

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ALL INFORMSTION CONTAINED

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Mr. A. Rosen

aside and out of use and that he would receive further instructions as soon as the memoranda from the Agents involved, together with his recommendations, was received at the Bureau.

#### CONTEMPLATED RFC LOAN

Mr. Ostholthoff's attention was called to his Personal and Confidential letter of August 26, 1946, wherein he advised that the Director had instructed that a letter be directed to George Allen of the Reconstruction Finance Corporation giving Mr. Allen some background concerning the people behind the Flamingo Hotel. In this letter Mr. Allen was to be further advised of possible afforts on the part of these individuals to secure a loan from the RFC so that Mr. Allen could black any such loan.

It was pointed out to Mr. Ostholthoff that in his telephone call to the Bureau on August 21, 1946, he merely advised that Siegel in general conversation had indicated that he might attempt to obtain an RFC loan is connection with the construction of the Flamingo Hotel and that at that time Mr. Ostholthoff was advised to follow the matter closely and if any information was developed indicating that positive action was to be taken in obtaining an RFC loan the Bureau should be immediately advised. It was pointed out to Mr. Ostholthoff that at this time his box letter of August 26 which purported to set out information concerning this matter had not been received at the Bureau. Mr. Ostholthoff advised that his letter of August 26 contained no additional information concerning this matter. He stated that the only information they had was to the effect that Siegel indicated that he might possibly seek an RFC loan and that they had no information as to the amount of the loan he might seek, the place where he might make application, or the identity of any persons he might enlist to assist him in obtaining the RFC load. He stated, however, that the Director thought it advisable that the information con cerning this be called to Mr. Allen's attention at this time.

#### ACTION BEING TAKEN

A latter is being directed to George Illen, Chairman of the Recenstruction Finance Corporation in accordance with the Director's instructions.

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# FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

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